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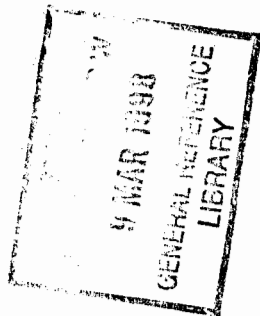
**LABOUR COSTS  
AUSTRALIA  
1986-87**

**W. McLENNAN**  
Acting Australian Statistician

AUSTRALIAN BUREAU OF STATISTICS

CATALOGUE NO. 6349.0

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## SUMMARY OF FINDINGS

### Introduction

This publication contains final results from the Survey of Labour Costs conducted for the reference year 1986-87. Estimates from the survey relate to the costs incurred by employers in the employment of labour during 1986-87. Several important points should be noted in relation to this survey.

- Preliminary results for the private sector were released in *Major Labour Costs, Private Sector, Australia, 1986-87* (6348.0) issued in August 1988. For a number of reasons, estimates in this publication may be different to those previously released in 6348.0. Refer to paragraph 4 of the Explanatory Notes for details.
- This publication contains only a selection of results from the survey. A large number of more detailed tabulations have been produced and can be made available on request. Inquiries should be made to the officer whose name appears in the Phone Inquiries section of the Inquiries box at the front of this publication.
- For a number of items in this survey different funding arrangements apply between the private and public sectors (eg. superannuation, workers' compensation and payroll tax). These differences, which are detailed in the Explanatory Notes, may affect the comparison between private and public sector estimates.

### Components of labour costs

The largest component of labour costs is earnings, but for every dollar private sector employers paid out as earnings, they paid 10.9 cents in other labour costs. Their public sector counterparts, by comparison, paid 13.3 cents in other labour costs for every dollar paid out as earnings.

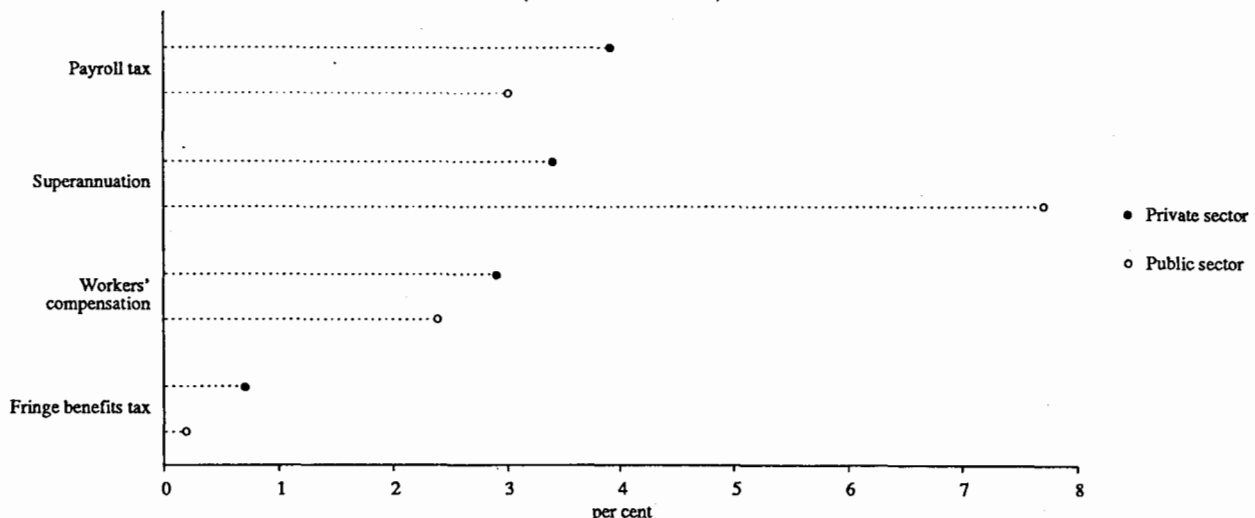
In the private sector other labour costs per dollar of earnings were:

3.9 cents in Payroll tax,  
3.4 cents in Superannuation contributions,  
2.9 cents in Workers' compensation, and  
0.7 cents in Fringe benefits tax.

In the public sector other labour costs per dollar of earnings were:

3.0 cents in Payroll tax,  
7.7 cents in Superannuation contributions,  
2.4 cents in Workers' compensation, and  
0.2 cents in Fringe benefits tax.

DIAGRAM 1. RATIO OF OTHER LABOUR COSTS TO EARNINGS AND SECTOR  
(Source of Data: Table 6)



### Total labour costs per employee

Average total labour costs per employee in 1986-87 were highest in the Northern Territory (\$24,746). Australian Capital Territory (\$24,062) and New South Wales (\$23,695) employers reported the next highest average total labour costs per employee. In comparison, Tasmanian (\$20,630), Queensland (\$20,676) and South Australian (\$20,780) employers reported relatively lower average total labour costs per employee.

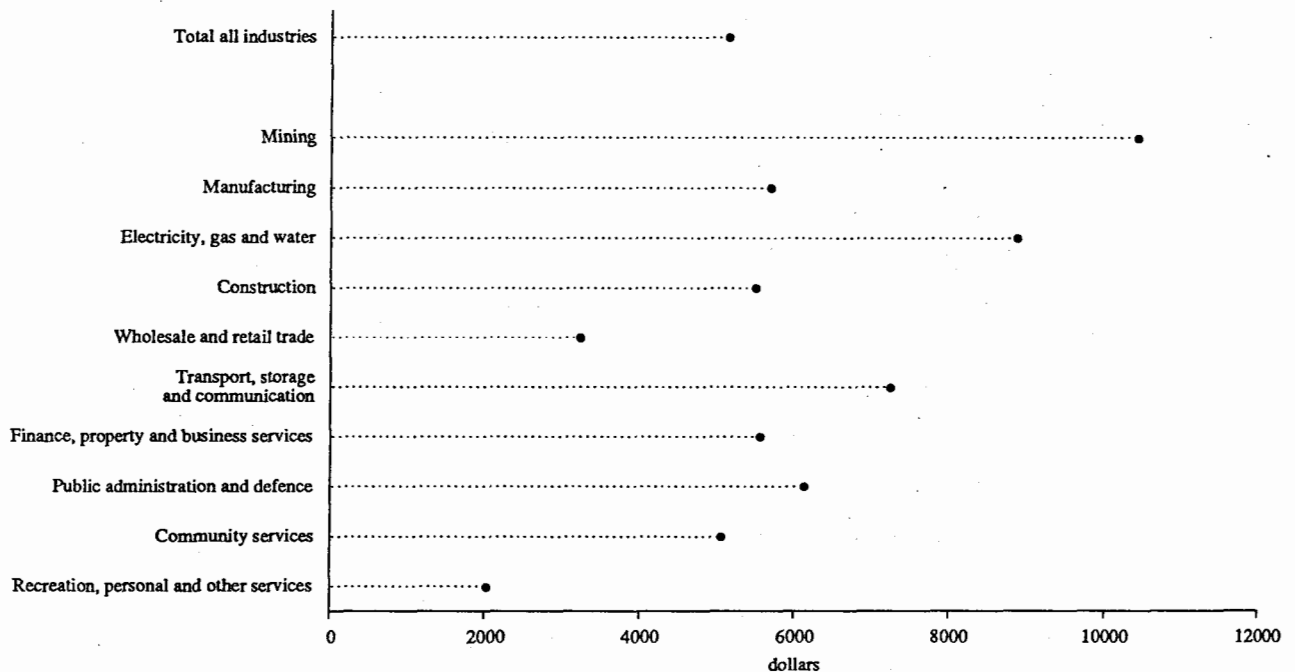
### On-costs in each industry

In total, on-costs were found to be \$5,129 per employee.

On an industry basis, on-costs per employee were found to be:

- high in mining (\$10,383); electricity, gas and water (\$8,859) and transport, storage and communications industries (\$7,229); and
- low in recreation, personal and other services (\$2,026) and wholesale and retail trade industries (\$3,237).

DIAGRAM 2 AVERAGE ON-COSTS PER EMPLOYEE AND INDUSTRY  
(Source of Data: Table 15)

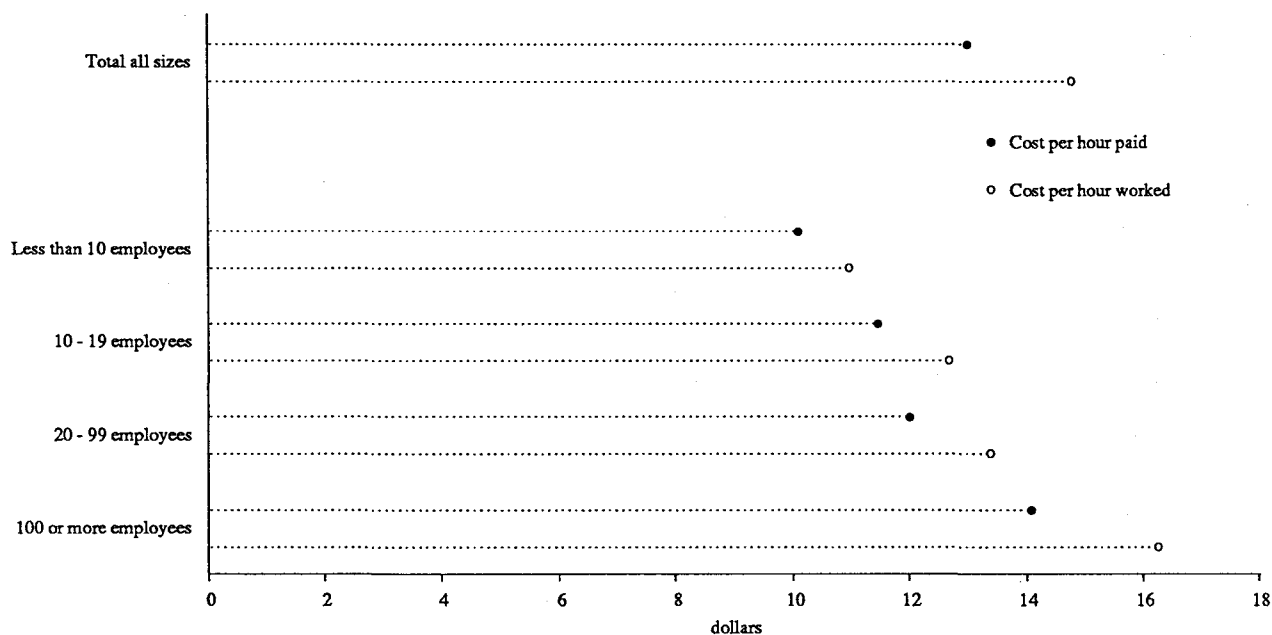


### Labour costs per hour paid and per hour worked

Average total labour costs per hour paid and per hour worked for 1986-87 were \$12.99 and \$14.76 respectively.

In comparing employer size groups, these costs increased as the size of the employer increased. Thus for employers with 100 or more employees, average costs were \$14.08 per hour paid and \$16.27 per hour worked, whereas for employers with less than 10 employees, average costs were \$10.08 per hour paid and \$10.96 per hour worked.

DIAGRAM 3. AVERAGE TOTAL LABOUR COST PER HOUR PAID AND PER HOUR WORKED AND EMPLOYER SIZE  
(Source of Data: Tables 9 and 10)



#### Components of gross wages and salaries

On average gross wages and salaries of \$19,788 were paid per employee.

Of the \$19,788 paid per employee —

\$17,414 was paid for time worked,  
\$1,304 was paid for annual leave, and  
\$1,077 was paid as other leave and bonuses.

On a State basis, amounts of leave paid per employee varied considerably. Annual leave paid per employee was highest in the Northern Territory (\$1,717) and lowest in South Australia (\$1,237). However, other leave and bonuses were highest in the Australian Capital Territory (\$1,485) and again lowest in South Australia (\$925).

#### Superannuation

The costs of superannuation to employers is determined in large part by the percentage of employees covered by superannuation.

In the public sector 63.4 per cent of employees were covered by superannuation, almost double the rate of coverage in the private sector (31.8 per cent).

The rate of coverage also varied considerably between States. In the public sector Tasmania (92.9 per cent), the Northern Territory (83.4 per cent) and the Australian Capital Territory (81.9 per cent) had high coverage rates while Western Australia (38.2 per cent) and South Australia (42.2 per cent) had comparatively low coverage rates.

For the private sector, Victoria (35.4 per cent) and New South Wales (33.6 per cent) had high rates of coverage, while the rate for the Northern Territory (17.4 per cent) was very low.

DIAGRAM 4. EMPLOYEES COVERED BY SUPERANNUATION AS A PERCENTAGE OF ALL EMPLOYEES,  
STATES AND TERRITORIES AND SECTOR  
(Source of Data: Table 2)

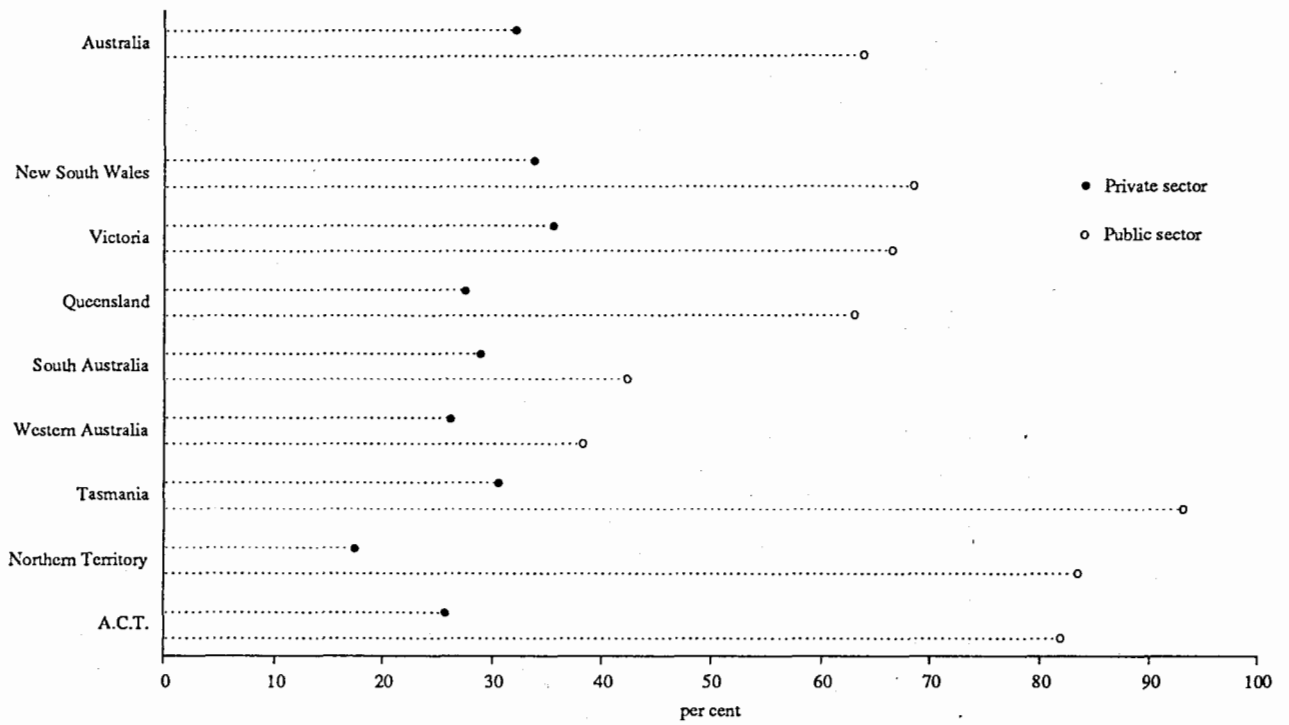


TABLE 1. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Total Costs (\$ million)

Type of labour cost	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
PRIVATE									
<i>Earnings</i>	28,796	19,225	9,255	5,820	6,606	1,722	552	718	72,694
Gross wages and salaries	28,245	18,867	9,092	5,737	6,471	1,697	540	710	71,360
Payments for time worked	25,227	16,771	8,191	5,189	5,787	1,524	490	633	63,814
Annual leave	1,672	1,136	508	315	376	99	26	43	4,176
Other leave and bonuses	1,346	999	392	234	308	75	23	33	3,410
Severance, termination and redundancy payments	550	358	163	83	135	24	12	8	1,334
<i>Other labour costs</i>	3,463	2,110	770	625	678	148	54	71	7,919
Payroll tax	1,207	829	289	177	238	58	18	18	2,834
Superannuation	1,068	667	284	191	201	49	11	26	2,497
Workers' compensation	964	496	152	231	190	34	19	24	2,109
Fringe benefits tax	224	118	45	27	49	6	5	3	479
<b>Total labour costs</b>	<b>32,259</b>	<b>21,336</b>	<b>10,025</b>	<b>6,445</b>	<b>7,284</b>	<b>1,870</b>	<b>606</b>	<b>789</b>	<b>80,613</b>
Payments for time worked	25,227	16,771	8,191	5,189	5,787	1,524	490	633	63,814
On-costs	7,031	4,604	1,833	1,256	1,497	346	115	156	16,839
PUBLIC									
<i>Earnings</i>	13,300	10,300	5,586	3,406	3,370	1,182	574	1,848	39,566
Gross wages and salaries	12,955	10,097	5,504	3,361	3,314	1,169	564	1,828	38,794
Payments for time worked	11,264	8,657	4,624	2,837	2,766	970	469	1,540	33,127
Annual leave	894	727	541	299	308	108	60	146	3,082
Other leave and bonuses	797	713	340	225	240	92	36	14	2,585
Severance, termination and redundancy payments	345	202	82	45	56	13	10	20	772
<i>Other labour costs</i>	1,698	1,714	705	450	335	119	64	191	5,275
Payroll tax	476	340	172	95	56	17	26	4	1,186
Superannuation	879	999	459	251	199	83	25	150	3,045
Workers' compensation	319	356	63	97	74	17	5	33	964
Fringe benefits tax	24	18	12	6	7	2	8	4	81
<b>Total labour costs</b>	<b>14,998</b>	<b>12,013</b>	<b>6,291</b>	<b>3,856</b>	<b>3,705</b>	<b>1,301</b>	<b>638</b>	<b>2,039</b>	<b>44,841</b>
Payments for time worked	11,264	8,657	4,624	2,837	2,766	970	469	1,540	33,127
On-costs	3,734	3,356	1,667	1,019	938	331	169	499	11,714
PRIVATE AND PUBLIC									
<i>Earnings</i>	42,096	29,525	14,841	9,226	9,976	2,903	1,126	2,566	112,260
Gross wages and salaries	41,200	28,965	14,596	9,098	9,785	2,867	1,104	2,538	110,153
Payments for time worked	36,491	25,428	12,816	8,026	8,553	2,493	959	2,173	96,941
Annual leave	2,566	1,864	1,048	613	684	207	86	190	7,258
Other leave and bonuses	2,143	1,713	732	459	548	166	59	175	5,994
Severance, termination and redundancy payments	896	560	245	128	191	37	22	28	2,106
<i>Other labour costs</i>	5,161	3,824	1,475	1,075	1,012	267	118	262	13,194
Payroll tax	1,683	1,169	461	272	293	76	44	22	4,019
Superannuation	1,947	1,666	743	442	400	132	36	176	5,542
Workers' compensation	1,282	852	215	328	263	51	25	57	3,073
Fringe benefits tax	248	137	56	33	56	8	13	7	559
<b>Total labour costs</b>	<b>47,256</b>	<b>33,349</b>	<b>16,316</b>	<b>10,301</b>	<b>10,989</b>	<b>3,170</b>	<b>1,244</b>	<b>2,828</b>	<b>125,454</b>
Payments for time worked	36,491	25,428	12,816	8,026	8,553	2,493	959	2,173	96,941
On-costs	10,765	7,960	3,500	2,275	2,435	677	285	655	28,553

TABLE 2. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Average Costs Per Employee

Type of labour cost	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
PRIVATE									
—dollars—									
Earnings	20,170	18,877	17,328	17,041	19,096	17,205	19,386	15,847	18,923
Gross wages and salaries	19,785	18,526	17,022	16,800	18,706	16,963	18,955	15,662	18,576
Payments for time worked	17,671	16,468	15,337	15,194	16,729	15,226	17,223	13,970	16,612
Annual leave	1,171	1,116	951	922	1,087	990	926	956	1,087
Other leave and bonuses	943	981	734	684	890	747	806	735	888
Severance, termination and redundancy payments	386	352	306	242	390	242	432	185	347
Other labour costs	2,426	2,072	1,441	1,830	1,959	1,482	1,884	1,569	2,061
Payroll tax	846	814	541	517	687	584	624	396	738
Superannuation	748	655	532	558	582	492	398	574	650
Workers' compensation	675	487	284	675	549	342	669	536	549
Fringe benefits tax	157	116	84	80	142	64	193	63	125
Total labour costs	22,596	20,949	18,769	18,872	21,056	18,687	21,270	17,416	20,985
Payments for time worked	17,671	16,468	15,337	15,194	16,729	15,220	17,223	13,970	16,612
On-costs	4,925	4,521	3,432	3,677	4,326	3,460	4,047	3,446	4,383
Superannuation—									
Cost per employee covered	2,229	1,851	1,943	1,937	2,229	1,611	2,290	2,234	2,044
Employees covered	33.6	35.4	27.4	28.8	26.1	30.5	17.4	25.7	31.8
PUBLIC									
—dollars—									
Earnings	23,468	23,020	21,905	22,091	21,847	22,041	26,353	25,581	22,933
Gross wages and salaries	22,859	22,568	21,585	21,796	21,486	21,807	25,901	25,307	22,486
Payments for time worked	19,876	19,349	18,133	18,399	17,933	18,086	21,513	21,325	19,201
Annual leave	1,577	1,625	2,120	1,937	1,994	2,011	2,750	2,027	1,786
Other leave and bonuses	1,407	1,594	1,333	1,461	1,559	1,711	1,638	1,956	1,498
Severance, termination and redundancy payments	609	452	320	295	361	234	452	273	448
Other labour costs	2,996	3,830	2,766	2,917	2,169	2,216	2,936	2,649	3,058
Payroll tax	840	760	673	617	360	322	1,191	59	687
Superannuation	1,551	2,233	1,799	1,631	1,289	1,551	1,143	2,076	1,765
Workers' compensation	562	796	248	630	477	309	251	454	559
Fringe benefits tax	42	41	45	39	43	35	352	61	47
Total labour costs	26,464	26,850	24,670	25,008	24,017	24,257	29,290	2,8230	25,991
Payments for time worked	19,876	19,349	18,133	18,399	17,933	18,086	21,513	21,325	19,201
On-costs	6,589	7,501	6,538	6,609	6,084	6,172	7,777	6,905	6,790
Superannuation—									
Cost per employee covered	2,277	3,373	2,867	3,864	3,373	1,668	1,371	2,534	2,785
Employees covered	68.1	66.2	62.8	42.2	38.2	92.9	83.4	81.9	63.4
PRIVATE AND PUBLIC									
—dollars—									
Earnings	21,108	20,142	18,807	18,612	19,945	18,892	22,406	21,829	20,166
Gross wages and salaries	20,659	19,759	18,497	18,354	19,564	18,653	21,966	21,589	19,788
Payments for time worked	18,297	17,347	16,240	16,191	17,100	16,224	19,083	18,490	17,414
Annual leave	1,287	1,271	1,328	1,237	1,367	1,346	1,717	1,614	1,304
Other leave and bonuses	1,075	1,168	928	925	1,096	1,083	1,166	1,485	1,077
Severance, termination and redundancy payments	449	382	310	258	381	239	441	239	378
Other labour costs	2,588	2,609	1,869	2,169	2,024	1,738	2,340	2,233	2,370
Payroll tax	844	797	584	548	586	492	870	189	722
Superannuation	976	1,137	941	892	800	861	721	1,497	996
Workers' compensation	643	581	273	661	527	330	488	485	552
Fringe benefits tax	124	93	71	67	111	54	262	62	100
Total labour costs	23,695	22,750	20,676	20,780	21,969	20,630	24,746	24,062	22,536
Payments for time worked	18,297	17,347	16,240	16,191	17,100	16,224	19,083	18,490	17,414
On-costs	5,398	5,431	4,436	4,589	4,868	4,406	5,664	5,572	5,129
Superannuation—									
Cost per employee covered	2,250	2,537	2,426	2,704	2,681	1,647	1,568	2,485	2,394
Employees covered	43.4	44.8	38.8	33.0	29.8	52.3	46.0	60.2	41.6

TABLE 3. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Average Costs Per Hour Paid (dollars)

Type of labour cost	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
PRIVATE									
<i>Earnings</i>	11.80	11.08	10.10	10.31	11.05	9.90	11.04	9.91	11.10
Gross wages and salaries	11.57	10.88	9.92	10.16	10.82	9.76	10.79	9.79	10.89
Payments for time worked	10.33	9.67	8.94	9.19	9.68	8.76	9.80	8.74	9.74
Annual leave	0.68	0.66	0.55	0.56	0.63	0.57	0.53	0.60	0.64
Other leave and bonuses	0.55	0.58	0.43	0.41	0.51	0.43	0.46	0.46	0.52
Severance, termination and redundancy payments	0.23	0.21	0.18	0.15	0.23	0.14	0.25	0.12	0.20
<i>Other labour costs</i>	1.42	1.22	0.84	1.11	1.13	0.84	1.07	0.98	1.21
Payroll tax	0.49	0.48	0.32	0.31	0.40	0.34	0.36	0.25	0.43
Superannuation	0.44	0.38	0.31	0.34	0.34	0.28	0.23	0.36	0.38
Workers' compensation	0.39	0.29	0.17	0.41	0.32	0.20	0.38	0.33	0.32
Fringe benefits tax	0.09	0.07	0.05	0.05	0.08	0.04	0.11	0.04	0.07
<b>Total labour costs</b>	<b>13.22</b>	<b>12.30</b>	<b>10.94</b>	<b>11.41</b>	<b>12.18</b>	<b>10.75</b>	<b>12.11</b>	<b>10.89</b>	<b>12.30</b>
Payments for time worked	10.33	9.67	8.94	9.19	9.68	8.76	9.80	8.74	9.74
On-costs	2.88	2.65	2.00	2.22	2.50	1.99	2.30	2.15	2.57
PUBLIC									
<i>Earnings</i>	13.23	12.51	12.15	12.28	12.49	12.37	13.14	14.29	12.75
Gross wages and salaries	12.89	12.27	11.97	12.12	12.29	12.24	12.92	14.13	12.50
Payments for time worked	11.21	10.52	10.06	10.23	10.25	10.15	10.73	11.91	10.67
Annual leave	0.89	0.88	1.18	1.08	1.14	1.13	1.37	1.13	0.99
Other leave and bonuses	0.79	0.87	0.74	0.81	0.89	0.96	0.82	1.09	0.83
Severance, termination and redundancy payments	0.34	0.25	0.18	0.16	0.21	0.13	0.23	0.15	0.25
<i>Other labour costs</i>	1.69	2.08	1.53	1.62	1.24	1.24	1.46	1.48	1.70
Payroll tax	0.47	0.41	0.37	0.34	0.21	0.18	0.59	0.03	0.38
Superannuation	0.87	1.21	1.00	0.91	0.74	0.87	0.57	1.16	0.98
Workers' compensation	0.32	0.43	0.14	0.35	0.27	0.17	0.12	0.25	0.31
Fringe benefits tax	0.02	0.02	0.03	0.02	0.02	0.02	0.18	0.03	0.03
<b>Total labour costs</b>	<b>14.92</b>	<b>14.60</b>	<b>13.68</b>	<b>13.91</b>	<b>13.73</b>	<b>13.62</b>	<b>14.61</b>	<b>15.77</b>	<b>14.45</b>
Payments for time worked	11.21	10.52	10.06	10.23	10.25	10.15	10.73	11.91	10.67
On-costs	3.72	4.08	3.63	3.68	3.48	3.46	3.88	3.86	3.77
PRIVATE AND PUBLIC									
<i>Earnings</i>	12.22	11.54	10.78	10.96	11.50	10.78	12.02	12.72	11.63
Gross wages and salaries	11.96	11.32	10.61	10.81	11.28	10.64	11.78	12.58	11.41
Payments for time worked	10.59	9.94	9.31	9.53	9.86	9.25	10.24	10.77	10.04
Annual leave	0.74	0.73	0.76	0.73	0.79	0.77	0.92	0.94	0.75
Other leave and bonuses	0.62	0.67	0.53	0.54	0.63	0.62	0.63	0.87	0.62
Severance, termination and redundancy payments	0.26	0.22	0.18	0.15	0.22	0.14	0.24	0.14	0.22
<i>Other labour costs</i>	1.50	1.50	1.07	1.28	1.17	0.99	1.26	1.30	1.37
Payroll tax	0.49	0.46	0.33	0.32	0.34	0.28	0.47	0.11	0.42
Superannuation	0.56	0.65	0.54	0.52	0.46	0.49	0.39	0.87	0.57
Workers' compensation	0.37	0.33	0.16	0.39	0.30	0.19	0.26	0.28	0.32
Fringe benefits tax	0.07	0.05	0.04	0.04	0.06	0.03	0.14	0.04	0.06
<b>Total labour costs</b>	<b>13.71</b>	<b>13.04</b>	<b>11.86</b>	<b>12.23</b>	<b>12.66</b>	<b>11.77</b>	<b>13.27</b>	<b>14.02</b>	<b>12.99</b>
Payments for time worked	10.59	9.94	9.31	9.53	9.86	9.25	10.24	10.77	10.04
On-costs	3.12	3.11	2.54	2.70	2.81	2.51	3.04	3.25	2.96

TABLE 4. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Average Costs Per Hour Worked (dollars)

Type of labour cost	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
PRIVATE									
<i>Earnings</i>	13.16	12.52	11.06	11.39	12.33	11.02	12.09	10.99	12.38
Gross wages and salaries	12.91	12.29	10.87	11.23	12.08	10.86	11.82	10.86	12.15
Payments for time worked	11.53	10.92	9.79	10.16	10.81	9.75	10.74	9.69	10.86
Annual leave	0.76	0.74	0.61	0.62	0.70	0.63	0.58	0.66	0.71
Other leave and bonuses	0.62	0.65	0.47	0.46	0.57	0.48	0.50	0.51	0.58
Severance, termination and redundancy payments	0.25	0.23	0.20	0.16	0.25	0.15	0.27	0.13	0.23
<i>Other labour costs</i>	1.58	1.37	0.92	1.22	1.27	0.95	1.17	1.09	1.35
Payroll tax	0.55	0.54	0.35	0.35	0.44	0.37	0.39	0.27	0.48
Superannuation	0.49	0.43	0.34	0.37	0.38	0.31	0.25	0.40	0.43
Workers' compensation	0.44	0.32	0.18	0.45	0.35	0.22	0.42	0.37	0.36
Fringe benefits tax	0.10	0.08	0.05	0.05	0.09	0.04	0.12	0.04	0.08
<b>Total labour costs</b>	<b>14.74</b>	<b>13.89</b>	<b>11.98</b>	<b>12.62</b>	<b>13.60</b>	<b>11.96</b>	<b>13.26</b>	<b>12.08</b>	<b>13.72</b>
Payments for time worked	11.53	10.92	9.79	10.16	10.81	9.75	10.74	9.69	10.86
On-costs	3.21	3.00	2.19	2.46	2.79	2.22	2.52	2.39	2.87
PUBLIC									
<i>Earnings</i>	15.51	14.71	14.34	14.72	15.00	14.96	15.92	16.99	15.06
Gross wages and salaries	15.11	14.42	14.13	14.52	14.75	14.80	15.65	16.81	14.77
Payments for time worked	13.14	12.37	11.87	12.26	12.31	12.28	13.00	14.17	12.61
Annual leave	1.04	1.04	1.39	1.29	1.37	1.36	1.66	1.35	1.17
Other leave and bonuses	0.93	1.02	0.87	0.97	1.07	1.16	0.99	1.30	0.98
Severance, termination and redundancy payments	0.40	0.29	0.21	0.20	0.25	0.16	0.27	0.18	0.29
<i>Other labour costs</i>	1.98	2.45	1.81	1.94	1.49	1.50	1.77	1.76	2.01
Payroll tax	0.56	0.49	0.44	0.41	0.25	0.22	0.72	0.04	0.45
Superannuation	1.03	1.43	1.18	1.09	0.89	1.05	0.69	1.38	1.16
Workers' compensation	0.37	0.51	0.16	0.42	0.33	0.21	0.15	0.30	0.37
Fringe benefits tax	0.03	0.03	0.03	0.03	0.03	0.02	0.21	0.04	0.03
<b>Total labour costs</b>	<b>17.49</b>	<b>17.16</b>	<b>16.15</b>	<b>16.66</b>	<b>16.49</b>	<b>16.46</b>	<b>17.69</b>	<b>18.76</b>	<b>17.07</b>
Payments for time worked	13.14	12.37	11.87	12.26	12.31	12.28	13.00	14.17	12.61
On-costs	4.35	4.79	4.28	4.40	4.18	4.19	4.70	4.59	4.46
PRIVATE AND PUBLIC									
<i>Earnings</i>	13.82	13.21	12.10	12.43	13.12	12.34	13.78	14.74	13.21
Gross wages and salaries	13.53	12.97	11.90	12.26	12.87	12.18	13.51	14.58	12.96
Payments for time worked	1.98	11.37	10.45	10.81	11.25	10.60	11.73	12.49	11.40
Annual leave	0.84	0.83	0.85	0.83	0.90	0.88	1.06	1.09	0.85
Other leave and bonuses	0.70	0.77	0.60	0.62	0.72	0.71	0.72	1.00	0.71
Severance, termination and redundancy payments	0.29	0.25	0.20	0.17	0.25	0.16	0.27	0.16	0.25
<i>Other labour costs</i>	1.69	1.71	1.20	1.45	1.33	1.14	1.44	1.51	1.55
Payroll tax	0.55	0.52	0.38	0.37	0.39	0.32	0.53	0.13	0.47
Superannuation	0.64	0.75	0.61	0.60	0.53	0.56	0.44	1.01	0.65
Workers' compensation	0.42	0.38	0.18	0.44	0.35	0.22	0.30	0.33	0.36
Fringe benefits tax	0.08	0.06	0.05	0.04	0.07	0.04	0.16	0.04	0.07
<b>Total labour costs</b>	<b>15.52</b>	<b>14.92</b>	<b>13.31</b>	<b>13.88</b>	<b>14.45</b>	<b>13.48</b>	<b>15.22</b>	<b>16.25</b>	<b>14.76</b>
Payments for time worked	11.98	11.37	10.45	10.81	11.25	10.60	11.73	12.49	11.40
On-costs	3.53	3.56	2.85	3.07	3.20	2.88	3.48	3.76	3.36

TABLE 5. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Costs as a Percentage of Total Labour Costs (per cent)

Type of labour cost	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Australia
PRIVATE									
<i>Earnings</i>	89.3	90.1	92.3	90.3	90.7	92.1	91.1	91.0	90.2
Gross wages and salaries	87.6	88.4	90.7	89.0	88.8	90.8	89.1	89.9	88.5
Payments for time worked	78.2	78.6	81.7	80.5	79.5	81.5	81.0	80.2	79.2
Annual leave	5.2	5.3	5.1	4.9	5.2	5.3	4.4	5.5	5.2
Other leave and bonuses	4.2	4.7	3.9	3.6	4.2	4.0	3.8	4.2	4.2
Severance, termination and redundancy payments	1.7	1.7	1.6	1.3	1.9	1.3	2.0	1.1	1.7
<i>Other labour costs</i>	10.7	9.9	7.7	9.7	9.3	7.9	8.9	9.0	9.8
Payroll tax	3.7	3.9	2.9	2.7	3.3	3.1	2.9	2.3	3.5
Superannuation	3.3	3.1	2.8	3.0	2.8	2.6	1.9	3.3	3.1
Workers' compensation	3.0	2.3	1.5	3.6	2.6	1.8	3.1	3.1	2.6
Fringe benefits tax	0.7	0.6	0.5	0.4	0.7	0.3	0.9	0.4	0.6
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	78.2	78.6	81.7	80.5	79.5	81.5	81.0	80.2	79.2
On-costs	21.8	21.6	18.3	19.5	20.6	18.5	19.0	19.8	20.9
PUBLIC									
<i>Earnings</i>	88.7	85.7	88.8	88.3	91.0	90.9	90.0	90.6	88.2
Gross wages and salaries	86.4	84.1	87.5	87.2	89.5	89.9	88.4	89.7	86.5
Payments for time worked	75.1	72.1	73.5	73.6	74.7	74.6	73.5	75.5	73.9
Annual leave	6.0	6.1	8.6	7.7	8.3	8.3	9.3	7.2	6.9
Other leave and bonuses	5.3	5.9	5.4	5.8	6.5	7.1	5.6	6.9	5.8
Severance, termination and redundancy payments	2.3	1.7	1.3	1.2	1.5	1.0	1.5	1.0	1.7
<i>Other labour costs</i>	11.3	14.3	11.2	11.7	9.0	9.1	10.0	9.4	11.8
Payroll tax	3.2	2.8	2.7	2.5	1.5	1.3	4.1	0.2	2.6
Superannuation	5.9	8.3	7.3	6.5	5.4	6.4	3.9	7.4	6.8
Workers' compensation	2.1	3.0	1.0	2.5	2.0	1.3	0.9	1.6	2.2
Fringe benefits tax	0.2	0.2	0.2	0.2	0.2	0.2	1.2	0.2	0.2
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	75.1	72.1	73.5	73.6	74.7	74.6	73.5	75.5	73.9
On-costs	24.9	27.9	26.5	26.4	25.3	25.4	26.6	24.5	26.1
PRIVATE AND PUBLIC									
<i>Earnings</i>	89.1	88.5	91.0	89.6	90.8	91.6	90.5	90.7	89.5
Gross wages and salaries	87.2	86.9	89.5	88.3	89.1	90.4	88.8	89.7	87.8
Payments for time worked	77.2	76.3	78.6	77.9	77.8	78.6	77.1	76.8	77.3
Annual leave	5.4	5.6	6.4	6.0	6.2	6.5	6.9	6.7	5.8
Other leave and bonuses	4.5	5.1	4.5	4.5	5.0	5.3	4.7	6.2	4.8
Severance, termination and redundancy payments	1.9	1.7	1.5	1.2	1.7	1.2	1.8	1.0	1.7
<i>Other labour costs</i>	10.9	11.5	9.0	10.4	9.2	8.4	9.5	9.3	10.5
Payroll tax	3.6	3.5	2.8	2.6	2.7	2.4	3.5	0.8	3.2
Superannuation	4.1	5.0	4.6	4.3	3.6	4.2	2.9	6.2	4.4
Workers' compensation	2.7	2.6	1.3	3.2	2.4	1.6	2.0	2.0	2.5
Fringe benefits tax	0.5	0.4	0.4	0.3	0.5	0.3	1.1	0.3	0.5
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	77.2	76.3	78.6	77.9	77.8	78.6	77.1	76.8	77.3
On-costs	22.8	23.9	21.5	22.1	22.1	21.4	22.9	23.2	22.8

TABLE 6. OTHER LABOUR COSTS : TYPE OF LABOUR COST, STATES  
AND SECTOR  
Ratio of Other Labour Costs to Earnings (per cent)

<i>Type of labour cost</i>	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>NT</i>	<i>ACT</i>	<i>Australia</i>
PRIVATE									
Payroll tax	4.2	4.3	3.1	3.0	3.6	3.4	3.2	2.5	3.9
Superannuation	3.7	3.5	3.1	3.3	3.1	2.9	2.1	3.6	3.4
Workers' compensation	3.4	2.6	1.6	4.0	2.9	2.0	3.5	3.4	2.9
Fringe benefits tax	0.8	0.6	0.5	0.5	0.7	0.4	1.0	0.4	0.7
Other labour costs	12.0	11.0	8.3	10.7	10.3	8.7	9.7	9.9	10.9
PUBLIC									
Payroll tax	3.6	3.3	3.1	2.8	1.7	1.5	4.5	0.2	3.0
Superannuation	6.6	9.7	8.2	7.4	5.9	7.0	4.3	8.1	7.7
Workers' compensation	2.4	3.5	1.1	2.9	2.2	1.4	1.0	1.8	2.4
Fringe benefits tax	0.2	0.2	0.2	0.2	0.2	0.2	1.3	0.2	0.2
Other labour costs	12.8	16.6	12.6	13.2	9.9	10.1	11.1	10.4	13.3
PRIVATE AND PUBLIC									
Payroll tax	4.0	4.0	3.1	3.0	2.9	2.6	3.9	0.9	3.6
Superannuation	4.6	5.6	5.0	4.8	4.0	4.6	3.2	6.9	4.9
Workers' compensation	3.1	2.9	1.5	3.6	2.6	1.8	2.2	2.2	2.7
Fringe benefits tax	0.6	0.5	0.4	0.4	0.6	0.3	1.2	0.3	0.5
Other labour costs	12.3	13.0	9.9	11.7	10.2	9.2	10.4	10.2	11.8

TABLE 7. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR  
Total costs (\$ million)

Type of labour cost	Less than 10 employees	10-19 employees	20-99 employees	100 or more employees	Total
PRIVATE					
<i>Earnings</i>	12,900	5,994	16,683	37,117	72,694
Gross wages and salaries	12,811	5,913	16,386	36,249	71,360
Payments for time worked	11,708	5,308	14,664	32,134	63,814
Annual leave	608	350	928	2,290	4,176
Other leave and bonuses	494	255	795	1,865	3,410
Severance, termination and redundancy payments	89	81	297	867	1,334
<i>Other labour costs</i>	987	510	1,765	4,658	7,919
Payroll tax	53	98	735	1,947	2,834
Superannuation	555	204	462	1,277	2,497
Workers' compensation	312	177	459	1,162	2,109
Fringe benefits tax	66	32	109	272	479
<b>Total labour costs</b>	<b>13,886</b>	<b>6,504</b>	<b>18,448</b>	<b>41,774</b>	<b>80,613</b>
Payments for time worked	11,708	5,308	14,664	32,134	63,814
On-costs	2,178	1,196	3,785	9,680	16,839
PUBLIC					
<i>Earnings</i>	87	64	1,108	38,307	39,566
Gross wages and salaries	86	63	1,090	37,554	38,794
Payments for time worked	76	56	953	32,041	33,127
Annual leave	6	4	78	2,994	3,082
Other leave and bonuses	4	3	59	2,519	2,585
Severance, termination and redundancy payments	1	*1	17	753	772
<i>Other labour costs</i>	8	8	121	5,138	5,275
Payroll tax	*1	1	11	1,173	1,186
Superannuation	5	*6	81	2,954	3,045
Workers' compensation	2	1	27	934	964
Fringe benefits tax	*—	*—	2	78	81
<b>Total labour costs</b>	<b>95</b>	<b>72</b>	<b>1,229</b>	<b>43,446</b>	<b>44,841</b>
Payments for time worked	76	56	953	32,041	33,127
On-costs	19	16	275	11,404	11,714
PRIVATE AND PUBLIC					
<i>Earnings</i>	12,987	6,058	17,791	75,425	112,260
Gross wages and salaries	12,897	5,976	17,476	73,803	110,153
Payments for time worked	11,784	5,364	15,617	64,175	96,941
Annual leave	614	354	1,005	5,284	7,258
Other leave and bonuses	498	258	854	4,384	5,994
Severance, termination and redundancy payments	90	81	315	1,620	2,106
<i>Other labour costs</i>	994	518	1,886	9,796	13,194
Payroll tax	54	99	747	3,120	4,019
Superannuation	560	209	542	4,230	5,542
Workers' compensation	314	178	485	2,096	3,073
Fringe benefits tax	66	32	112	350	559
<b>Total labour costs</b>	<b>13,981</b>	<b>6,576</b>	<b>19,677</b>	<b>85,220</b>	<b>125,454</b>
Payments for time worked	11,784	5,364	15,617	64,175	96,941
On-costs	2,197	1,211	4,060	21,085	28,553

TABLE 8. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR  
Average Costs Per Employee

Type of labour cost	Less than 10 employees	10-19 employees	20-99 employees	100 or more employees	Total
PRIVATE					
<i>Earnings</i>	15,366	—dollars— 18,056	18,717	20,868	18,923
Gross wages and salaries	15,260	17,813	18,383	20,380	18,576
Payments for time worked	13,947	15,991	16,451	18,066	16,612
Annual leave	725	1,054	1,041	1,287	1,087
Other leave and bonuses	589	769	892	1,049	888
Severance, termination and redundancy payments	106	243	334	488	347
<i>Other labour costs</i>	1,175	1,536	1,980	2,619	2,061
Payroll tax	63	295	825	1,095	738
Superannuation	662	614	518	718	650
Workers' compensation	372	533	515	653	549
Fringe benefits tax	79	95	122	153	125
<b>Total labour costs</b>	<b>16,541</b>	<b>19,593</b>	<b>20,697</b>	<b>23,486</b>	<b>20,985</b>
Payments for time worked	13,947	15,991	16,451	18,066	16,612
On-costs	2,595	3,602	4,246	5,442	4,383
Superannuation— Cost per employee covered	3,947	2,835	2,054	1,628	2,044
Employees covered	16.8	—per cent— 21.7	25.2	44.1	31.8
PUBLIC					
<i>Earnings</i>	21,578	—dollars— 18,649	19,687	23,055	22,933
Gross wages and salaries	21,254	18,502	19,377	22,602	22,486
Payments for time worked	18,896	16,412	16,945	19,284	19,201
Annual leave	1,405	1,192	1,381	1,802	1,786
Other leave and bonuses	953	897	1,051	1,516	1,498
Severance, termination and redundancy payments	324	*147	310	453	448
<i>Other labour costs</i>	1,971	2,342	2,149	3,093	3,058
Payroll tax	*142	276	201	706	687
Superannuation	1,229	1,653	1,432	1,778	1,765
Workers' compensation	490	365	472	562	559
Fringe benefits tax	*109	*48	43	47	47
<b>Total labour costs</b>	<b>23,550</b>	<b>20,991</b>	<b>21,836</b>	<b>26,148</b>	<b>25,991</b>
Payments for time worked	18,896	16,412	16,945	19,284	19,201
On-costs	4,653	4,579	4,891	6,864	6,790
Superannuation— Cost per employee covered	2,290	3,027	2,720	2,788	2,785
Employees covered	53.7	—per cent— 54.6	52.6	63.8	63.4
PRIVATE AND PUBLIC					
<i>Earnings</i>	15,396	—dollars— 18,062	18,774	21,924	20,166
Gross wages and salaries	15,289	17,820	18,442	21,453	19,788
Payments for time worked	13,970	15,995	16,480	18,655	17,414
Annual leave	728	1,055	1,061	1,536	1,304
Other leave and bonuses	591	770	901	1,274	1,077
Severance, termination and redundancy payments	107	242	332	471	378
<i>Other labour costs</i>	1,179	1,545	1,990	2,848	2,370
Payroll tax	64	294	788	907	722
Superannuation	664	625	572	1,230	996
Workers' compensation	372	531	512	609	552
Fringe benefits tax	79	95	118	102	100
<b>Total labour costs</b>	<b>16,575</b>	<b>19,607</b>	<b>20,764</b>	<b>24,772</b>	<b>22,536</b>
Payments for time worked	13,970	15,995	16,480	18,655	17,414
On-costs	2,604	3,612	4,284	6,129	5,129
Superannuation— Cost per employee covered	3,922	2,840	2,131	2,294	2,394
Employees covered	16.9	—per cent— 22.0	26.9	53.6	41.6

TABLE 9. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR  
Average Cost Per Hour Paid (dollars)

Type of labour cost	Less than 10 employees	10-19 employees	20-99 employees	100 or more employees	Total
PRIVATE					
<i>Earnings</i>	9.35	10.52	10.82	12.13	11.10
Gross wages and salaries	9.29	10.38	10.63	11.85	10.89
Payments for time worked	8.49	9.31	9.51	10.50	9.74
Annual leave	0.44	0.61	0.60	0.75	0.64
Other leave and bonuses	0.36	0.45	0.52	0.61	0.52
Severance, termination and redundancy payments	0.06	0.14	0.19	0.28	0.20
<i>Other labour costs</i>	0.72	0.89	1.14	1.52	1.21
Payroll tax	0.04	0.17	0.48	0.64	0.43
Superannuation	0.40	0.36	0.30	0.42	0.38
Workers' compensation	0.23	0.31	0.30	0.38	0.32
Fringe benefits tax	0.05	0.06	0.07	0.09	0.07
<b>Total labour costs</b>	<b>10.07</b>	<b>11.41</b>	<b>11.96</b>	<b>13.65</b>	<b>12.30</b>
Payments for time worked	8.49	9.31	9.51	10.50	9.74
On-costs	1.58	2.10	2.45	3.16	2.57
PUBLIC					
<i>Earnings</i>	12.29	12.68	11.43	12.79	12.75
Gross wages and salaries	12.10	12.58	11.25	12.54	12.50
Payments for time worked	10.76	11.16	9.84	10.70	10.67
Annual leave	0.80	0.81	0.80	1.00	0.99
Other leave and bonuses	0.54	0.61	0.61	0.84	0.83
Severance, termination and redundancy payments	0.18	*0.10	0.18	0.25	0.25
<i>Other labour costs</i>	1.12	1.59	1.25	1.72	1.70
Payroll tax	*0.08	0.19	0.12	0.39	0.38
Superannuation	0.70	1.12	0.83	0.99	0.98
Workers' compensation	0.28	0.25	0.27	0.31	0.31
Fringe benefits tax	*0.06	*0.03	0.03	0.03	0.03
<b>Total labour costs</b>	<b>13.41</b>	<b>14.27</b>	<b>12.67</b>	<b>14.51</b>	<b>14.45</b>
Payments for time worked	10.76	11.16	9.84	10.70	10.67
On-costs	2.65	3.11	2.84	3.81	3.77
PRIVATE AND PUBLIC					
<i>Earnings</i>	9.37	10.54	10.85	12.46	11.63
Gross wages and salaries	9.30	10.40	10.66	12.19	11.41
Payments for time worked	8.50	9.33	9.53	10.60	10.04
Annual leave	0.44	0.62	0.61	0.87	0.75
Other leave and bonuses	0.36	0.45	0.52	0.72	0.62
Severance, termination and redundancy payments	0.06	0.14	0.19	0.27	0.22
<i>Other labour costs</i>	0.72	0.90	1.15	1.62	1.37
Payroll tax	0.04	0.17	0.46	0.52	0.42
Superannuation	0.40	0.36	0.33	0.70	0.57
Workers' compensation	0.23	0.31	0.30	0.35	0.32
Fringe benefits tax	0.05	0.06	0.07	0.06	0.06
<b>Total labour costs</b>	<b>10.08</b>	<b>11.44</b>	<b>12.01</b>	<b>14.08</b>	<b>12.99</b>
Payments for time worked	8.50	9.33	9.53	10.60	10.04
On-costs	1.58	2.11	2.48	3.48	2.96

**TABLE 10. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR**  
Average Cost Per Hour Worked (dollars)

<i>Type of labour cost</i>	<i>Less than 10 employees</i>	<i>10-19 employees</i>	<i>20-99 employees</i>	<i>100 or more employees</i>	<i>Total</i>
<b>PRIVATE</b>					
<i>Earnings</i>	<i>10.16</i>	<i>11.65</i>	<i>12.05</i>	<i>13.72</i>	<i>12.38</i>
Gross wages and salaries	10.09	11.49	11.83	13.40	12.15
Payments for time worked	9.22	10.32	10.59	11.80	10.86
Annual leave	0.48	0.68	0.67	0.85	0.71
Other leave and bonuses	0.39	0.50	0.57	0.69	0.58
Severance, termination and redundancy payments	0.07	0.16	0.21	0.32	0.23
<i>Other labour costs</i>	<i>0.78</i>	<i>0.99</i>	<i>1.27</i>	<i>1.72</i>	<i>1.35</i>
Payroll tax	0.04	0.19	0.53	0.72	0.48
Superannuation	0.44	0.40	0.33	0.47	0.43
Workers' compensation	0.25	0.34	0.33	0.43	0.36
Fringe benefits tax	0.05	0.06	0.08	0.10	0.08
<b>Total labour costs</b>	<b>10.94</b>	<b>12.64</b>	<b>13.32</b>	<b>15.44</b>	<b>13.72</b>
Payments for time worked	9.22	10.32	10.59	11.88	10.86
On-costs	1.72	2.32	2.73	3.58	2.87
<b>PUBLIC</b>					
<i>Earnings</i>	<i>13.85</i>	<i>14.27</i>	<i>13.10</i>	<i>15.13</i>	<i>15.06</i>
Gross wages and salaries	13.64	14.16	12.89	14.84	14.77
Payments for time worked	12.13	12.56	11.27	12.66	12.61
Annual leave	0.90	0.91	0.92	1.18	1.17
Other leave and bonuses	0.61	0.69	0.70	0.99	0.98
Severance, termination and redundancy payments	0.21	*0.11	0.21	0.30	0.29
<i>Other labour costs</i>	<i>1.27</i>	<i>1.79</i>	<i>1.43</i>	<i>2.03</i>	<i>2.01</i>
Payroll tax	*0.09	0.21	0.13	0.46	0.45
Superannuation	0.79	1.27	0.95	1.17	1.16
Workers' compensation	0.31	0.28	0.31	0.37	0.37
Fringe benefits tax	*0.07	*0.04	0.03	0.03	0.03
<b>Total labour costs</b>	<b>15.11</b>	<b>16.07</b>	<b>14.53</b>	<b>17.16</b>	<b>17.07</b>
Payments for time worked	12.13	12.56	11.27	12.66	12.61
On-costs	2.99	3.50	3.25	4.51	4.46
<b>PRIVATE AND PUBLIC</b>					
<i>Earnings</i>	<i>10.18</i>	<i>11.67</i>	<i>12.11</i>	<i>14.40</i>	<i>13.21</i>
Gross wages and salaries	10.11	11.52	11.89	14.09	12.96
Payments for time worked	9.24	10.34	10.63	12.26	11.40
Annual leave	0.48	0.68	0.68	1.01	0.85
Other leave and bonuses	0.39	0.50	0.58	0.84	0.71
Severance, termination and redundancy payments	0.07	0.16	0.21	0.31	0.25
<i>Other labour costs</i>	<i>0.78</i>	<i>1.00</i>	<i>1.28</i>	<i>1.87</i>	<i>1.55</i>
Payroll tax	0.04	0.19	0.51	0.60	0.47
Superannuation	0.44	0.40	0.37	0.81	0.65
Workers' compensation	0.25	0.34	0.33	0.40	0.36
Fringe benefits tax	0.05	0.06	0.08	0.07	0.07
<b>Total labour costs</b>	<b>10.96</b>	<b>12.67</b>	<b>13.39</b>	<b>16.27</b>	<b>14.76</b>
Payments for time worked	9.24	10.34	10.63	12.26	11.40
On-costs	1.72	2.33	2.76	4.03	3.36

**TABLE 11. TOTAL LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR**  
Cost as a Percentage of Total Labour Costs (per cent)

<i>Type of labour cost</i>	<i>Less than 10 employees</i>	<i>10-19 employees</i>	<i>20-99 employees</i>	<i>100 or more employees</i>	<i>Total</i>
<b>PRIVATE</b>					
<i>Earnings</i>	92.9	92.2	90.4	88.9	90.2
Gross wages and salaries	92.3	90.9	88.8	86.8	88.5
Payments for time worked	84.3	81.6	79.5	76.9	79.2
Annual leave	4.4	5.4	5.0	5.5	5.2
Other leave and bonuses	3.6	3.9	4.3	4.5	4.2
Severance, termination and redundancy payments	0.6	1.2	1.6	2.1	1.7
<i>Other labour costs</i>	7.1	7.8	9.6	11.2	9.8
Payroll tax	0.4	1.5	4.0	4.7	3.5
Superannuation	4.0	3.1	2.5	3.1	3.1
Workers' compensation	2.3	2.7	2.5	2.8	2.6
Fringe benefits tax	0.5	0.5	0.6	0.7	0.6
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	84.3	81.6	79.5	76.9	79.2
On-costs	15.7	18.4	20.5	23.2	20.9
<b>PUBLIC</b>					
<i>Earnings</i>	91.6	88.8	90.2	88.2	88.2
Gross wages and salaries	90.3	88.1	88.7	86.4	86.5
Payments for time worked	80.2	78.2	77.6	73.8	73.9
Annual leave	6.0	5.7	6.3	6.9	6.9
Other leave and bonuses	4.1	4.3	4.8	5.8	5.8
Severance, termination and redundancy payments	1.4	*0.7	1.4	1.7	1.7
<i>Other labour costs</i>	8.4	11.2	9.8	11.8	11.8
Payroll tax	*0.6	1.3	0.9	2.7	2.6
Superannuation	5.2	7.9	6.6	6.8	6.8
Workers' compensation	2.1	1.7	2.2	2.2	2.2
Fringe benefits tax	*0.5	*0.2	0.2	0.2	0.2
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	80.2	78.2	77.6	73.8	73.9
On-costs	19.8	21.8	22.4	26.3	26.1
<b>PRIVATE AND PUBLIC</b>					
<i>Earnings</i>	92.9	92.1	90.4	88.5	89.5
Gross wages and salaries	92.2	90.9	88.8	86.6	87.8
Payments for time worked	84.3	81.6	79.4	75.3	77.3
Annual leave	4.4	5.4	5.1	6.2	5.8
Other leave and bonuses	3.6	3.9	4.3	5.1	4.8
Severance, termination and redundancy payments	0.6	1.2	1.6	1.9	1.7
<i>Other labour costs</i>	7.1	7.9	9.6	11.5	10.5
Payroll tax	0.4	1.5	3.8	3.7	3.2
Superannuation	4.0	3.2	2.8	5.0	4.4
Workers' compensation	2.3	2.7	2.5	2.5	2.5
Fringe benefits tax	0.5	0.5	0.6	0.4	0.5
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Payments for time worked	84.3	81.6	79.4	75.3	77.3
On-costs	15.7	18.4	20.6	24.7	22.8

TABLE 12. OTHER LABOUR COSTS : TYPE OF LABOUR COST, EMPLOYER  
SIZE AND SECTOR  
Ratio of Other Labour Costs to Earnings (per cent)

Type of labour cost	Less than 10 employees	10-19 employees	20-99 employees	100 or more employees	Total
PRIVATE					
Payroll tax	0.4	1.6	4.4	5.3	3.9
Superannuation	4.3	3.4	2.8	3.4	3.4
Workers' compensation	2.4	3.0	2.8	3.1	2.9
Fringe benefits tax	0.5	0.5	0.7	0.7	0.7
Other labour costs	7.7	8.5	10.6	12.6	10.9
PUBLIC					
Payroll tax	*0.7	1.5	1.0	3.1	3.0
Superannuation	5.7	8.9	7.3	7.7	7.7
Workers' compensation	2.3	2.0	2.4	2.4	2.4
Fringe benefits tax	*0.5	*0.3	0.2	0.2	0.2
Other labour costs	9.1	12.6	10.9	13.4	13.3
PRIVATE AND PUBLIC					
Payroll tax	0.4	1.6	4.2	4.1	3.6
Superannuation	4.3	3.5	3.1	5.6	4.9
Workers' compensation	2.4	2.9	2.7	2.8	2.7
Fringe benefits tax	0.5	0.5	0.6	0.5	0.5
Other labour costs	7.7	8.6	10.6	13.0	11.8

TABLE 13. TOTAL LABOUR COSTS, PRIVATE SECTOR : TYPE OF LABOUR COST AND INDUSTRY

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communication	Finance, property and business services	Community services	Recreation, personal and other services	Total
TOTAL COSTS (\$ million)										
Earnings	2,844	20,916	151	4,445	16,651	3,559	13,363	7,097	3,667	72,694
Gross wages and salaries	2,751	20,423	149	4,380	16,405	3,501	13,108	7,019	3,622	71,360
Payments for time worked	2,440	18,089	128	3,980	14,810	3,158	11,622	6,176	3,412	63,814
Annual leave	176	1,305	11	215	850	201	752	546	119	4,176
Other leave and bonuses	136	1,069	9	186	745	142	734	297	92	3,410
Severance, termination and redundancy payments	92	493	*3	65	246	58	256	77	45	1,334
Other labour costs	420	2,663	22	555	1,569	412	1,558	445	275	7,919
Payroll tax	152	1,007	8	138	577	148	600	92	111	2,834
Superannuation	124	666	9	158	491	119	640	233	*57	2,497
Workers' compensation	110	904	4	229	397	133	138	107	88	2,109
Fringe benefits tax	33	86	*1	*30	104	13	180	14	18	479
Total labour costs	3,264	23,580	173	5,000	18,220	3,971	14,922	7,542	3,942	80,613
Payments for time worked	2,440	18,089	128	3,980	14,810	3,158	11,622	6,176	3,412	63,814
On-costs	824	5,531	45	1,020	3,409	813	3,300	1,365	530	16,839
AVERAGE COSTS PER EMPLOYEE										
—dollars—										
Earnings	35,453	20,954	26,075	22,362	15,725	23,224	21,671	16,889	11,849	18,923
Gross wages and salaries	34,303	20,460	25,628	22,035	15,492	22,848	21,256	16,706	11,704	18,576
Payments for time worked	30,417	18,121	22,120	20,019	13,987	20,607	18,846	14,699	11,023	16,612
Annual leave	2,192	1,308	1,933	1,083	803	1,312	1,220	1,300	385	1,087
Other leave and bonuses	1,694	1,071	1,575	933	703	929	1,191	707	297	888
Severance, termination and redundancy payments	1,149	494	447	326	233	377	414	184	144	347
Other labour costs	5,237	2,668	3,767	2,791	1,481	2,691	2,527	1,059	888	2,061
Payroll tax	1,898	1,009	1,441	695	545	967	973	218	360	738
Superannuation	1,551	668	1,568	792	464	775	1,038	554	*185	650
Workers' compensation	1,373	906	623	1,152	374	866	224	254	285	549
Fringe benefits tax	415	86	134	*152	98	83	292	32	58	125
Total labour costs	40,690	23,622	29,841	25,152	17,206	25,915	24,198	17,948	12,736	20,985
Payments for time worked	30,417	18,121	22,120	20,019	13,987	20,607	18,846	14,699	11,023	16,612
On-costs	10,273	5,541	7,721	5,133	3,220	5,308	5,352	3,249	1,714	4,383
Superannuation—										
Cost per employee covered	2,157	1,496	1,831	1,920	1,962	2,170	2,947	3,061	*1,717	2,044
—per cent—										
Employees covered	71.9	44.6	85.7	41.3	23.6	35.7	35.2	18.1	*10.7	31.8

TABLE 13. TOTAL LABOUR COSTS, PRIVATE SECTOR : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communication	Finance, property and business services	Community services	Recreation, personal and other services	Total
AVERAGE COSTS PER HOUR PAID (dollars)										
<i>Earnings</i>	17.10	11.11	10.88	11.70	9.90	11.49	12.10	11.51	9.28	11.10
Gross wages and salaries	16.55	10.85	10.69	11.53	9.75	11.31	11.87	11.38	9.17	10.89
Payments for time worked	14.67	9.61	9.23	10.47	8.80	10.20	10.52	10.01	8.64	9.74
Annual leave	1.06	0.69	0.81	0.57	0.51	0.65	0.68	0.89	0.30	0.64
Other leave and bonuses	0.82	0.57	0.66	0.49	0.44	0.46	0.66	0.48	0.23	0.52
Severance, termination and redundancy payments	0.55	0.26	0.19	0.17	0.15	0.19	0.23	0.13	0.11	0.20
<i>Other labour costs</i>	2.53	1.41	1.57	1.46	0.93	1.33	1.41	0.72	0.70	1.21
Payroll tax	0.92	0.53	0.60	0.36	0.34	0.48	0.54	0.15	0.28	0.43
Superannuation	0.75	0.35	0.65	0.41	0.29	0.38	0.58	0.38	*0.14	0.38
Workers' compensation	0.66	0.48	0.26	0.60	0.24	0.43	0.12	0.17	0.22	0.32
Fringe benefits tax	0.20	0.05	0.06	*0.08	0.06	0.04	0.16	0.02	0.05	0.07
<b>Total labour costs</b>	<b>19.63</b>	<b>12.52</b>	<b>12.45</b>	<b>13.16</b>	<b>10.83</b>	<b>12.83</b>	<b>13.51</b>	<b>12.23</b>	<b>9.98</b>	<b>12.30</b>
Payments for time worked	14.67	9.61	9.23	10.47	8.80	10.20	10.52	10.01	8.64	9.74
On-costs	4.96	2.94	3.22	2.68	2.03	2.63	2.99	2.21	1.34	2.57
AVERAGE COSTS PER HOUR WORKED (dollars)										
<i>Earnings</i>	19.51	12.67	12.41	13.00	10.90	12.74	13.38	13.02	9.85	12.38
Gross wages and salaries	18.88	12.37	12.19	12.81	10.74	12.53	13.13	12.87	9.73	12.15
Payments for time worked	16.74	10.96	10.52	11.63	9.69	11.30	11.64	11.33	9.16	10.86
Annual leave	1.21	0.79	0.92	0.63	0.56	0.72	0.75	1.00	0.32	0.71
Other leave and bonuses	0.93	0.65	0.75	0.54	0.49	0.51	0.74	0.54	0.25	0.58
Severance, termination and redundancy payments	0.63	0.30	0.21	0.19	0.16	0.21	0.26	0.14	0.12	0.23
<i>Other labour costs</i>	2.88	1.16	1.79	1.62	1.03	1.48	1.56	0.82	0.74	1.35
Payroll tax	1.04	0.61	0.69	0.40	0.38	0.53	0.60	0.17	0.30	0.48
Superannuation	0.85	0.40	0.75	0.46	0.32	0.43	0.64	0.43	*0.15	0.43
Workers' compensation	0.76	0.55	0.30	0.67	0.26	0.47	0.14	0.20	0.24	0.36
Fringe benefits tax	0.23	0.05	0.06	*0.09	0.07	0.05	0.18	0.02	0.05	0.08
<b>Total labour costs</b>	<b>22.40</b>	<b>14.28</b>	<b>14.20</b>	<b>14.62</b>	<b>11.93</b>	<b>14.22</b>	<b>14.94</b>	<b>13.83</b>	<b>10.59</b>	<b>13.72</b>
Payments for time worked	16.74	10.96	10.52	11.63	9.69	11.30	11.64	11.33	9.16	10.86
On-costs	5.65	3.35	3.67	2.98	2.23	2.91	3.30	2.50	1.42	2.87

TABLE 13. TOTAL LABOUR COSTS, PRIVATE SECTOR : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communi- cation	Finance, property and business services	Community services	Recreation, personal and other services	Total
COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS (per cent)										
Earnings	87.1	88.7	87.4	88.9	91.4	89.6	89.6	94.1	93.0	90.2
Gross wages and salaries	84.3	86.6	85.9	87.6	90.0	88.2	87.8	93.1	91.9	88.5
Payments for time worked	74.8	76.7	74.1	79.6	81.3	79.5	77.9	81.9	86.6	79.2
Annual leave	5.4	5.5	6.5	4.3	4.7	5.1	5.0	7.2	3.0	5.2
Other leave and bonuses	4.2	4.5	5.3	3.7	4.1	3.6	4.9	3.9	2.3	4.2
Severance, termination and redundancy payments	2.8	2.1	1.5	1.3	1.4	1.5	1.7	1.0	1.1	1.7
Other labour costs	12.9	11.3	12.6	11.1	8.6	10.4	10.4	5.9	7.0	9.8
Payroll tax	4.7	4.3	4.8	2.8	3.2	3.7	4.0	1.2	2.8	3.5
Superannuation	3.8	2.8	5.3	3.2	2.7	3.0	4.3	3.1	*1.5	3.1
Workers' compensation	3.4	3.8	2.1	4.6	2.2	3.3	0.9	1.4	2.2	2.6
Fringe benefits tax	1.0	0.4	0.5	*0.6	0.6	0.3	1.2	0.2	0.5	0.6
Total labour costs	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Payments for time worked	74.8	76.7	74.1	79.6	81.3	79.5	77.9	81.9	86.6	79.2
On-costs	25.3	23.5	25.9	20.4	18.7	20.5	22.1	18.1	13.5	20.9
RATIO OF OTHER LABOUR COSTS TO EARNINGS (per cent)										
Payroll Tax	5.4	4.8	5.5	3.1	3.5	4.2	4.5	1.3	3.0	3.9
Superannuation	4.4	3.2	6.0	3.5	3.0	3.3	4.8	3.3	*1.6	3.4
Workers' compensation	3.9	4.3	2.4	5.2	2.4	3.7	1.0	1.5	2.4	2.9
Fringe benefits tax	1.2	0.4	0.5	*0.7	0.6	0.4	1.4	0.2	0.5	0.7
Other labour costs	14.8	12.7	14.5	12.5	9.4	11.6	11.7	6.3	7.5	10.9

TABLE 14. TOTAL LABOUR COSTS, PUBLIC SECTOR : TYPE OF LABOUR COST AND INDUSTRY

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport and storage	Communication	Finance, property and business services	Public administration and defence	Community services	Recreation, personal and other services	Total
TOTAL COSTS (\$ million)												
Earnings	240	1,130	3,193	1,075	128	3,788	2,932	2,134	6,964	17,433	550	39,566
Gross wages and salaries	237	1,084	3,084	1,062	124	3,706	2,875	2,102	6,830	17,163	525	38,794
Payments for time worked	209	912	2,617	914	109	3,184	2,409	1,783	5,859	14,666	465	33,127
Annual leave	16	82	239	78	8	275	209	163	480	1,499	32	3,082
Other leave and bonuses	12	90	228	70	7	247	258	156	491	998	28	2,585
Severance, termination and redundancy payments	3	46	108	13	3	81	57	32	134	269	25	772
Other labour costs	50	190	503	159	19	649	536	371	833	1,902	63	5,275
Payroll tax	14	41	171	49	6		—184—	102	86	522	11	1,186
Superannuation	21	96	238	73	10	356	454	198	556	1,006	37	3,045
Workers' compensation	15	51	87	35	2	108	74	37	176	365	14	964
Fringe benefits tax	—	1	7	2	1		—10—	34	15	9	1	81
Total labour costs	290	1,320	3,695	1,234	146	4,437	3,468	2,505	7,797	19,335	613	44,841
Payments for time worked	209	912	2,617	914	109	3,184	2,409	1,783	5,859	14,666	465	33,127
On-costs	81	408	1,078	320	37	1,253	1,060	722	1,938	4,669	148	11,714
AVERAGE COSTS PER EMPLOYEE												
—dollars—												
Earnings	34,497	23,118	26,400	23,776	21,458	25,583	22,361	20,006	22,037	22,641	21,568	22,933
Gross wages and salaries	34,032	22,180	25,503	23,489	20,904	25,033	21,928	19,705	21,613	22,291	20,592	22,486
Payments for time worked	30,056	18,654	21,642	20,217	18,321	21,508	18,368	16,716	18,540	19,048	18,238	19,201
Annual leave	2,248	1,687	1,975	1,729	1,365	1,856	1,594	1,528	1,520	1,947	1,274	1,786
Other leave and bonuses	1,728	1,838	1,887	1,543	1,218	1,669	1,966	1,461	1,554	1,297	1,081	1,498
Severance, termination and redundancy payments	464	938	896	287	554	550	433	301	424	350	976	448
Other labour costs	7,209	3,884	4,156	3,523	3,162	4,386	4,089	3,478	2,635	2,470	2,482	3,058
Payroll tax	1,990	836	1,417	1,086	1,012		—658—	959	271	678	439	687
Superannuation	3,011	1,973	1,967	1,613	1,664	2,403	3,463	1,853	1,760	1,307	1,467	1,765
Workers' compensation	2,168	1,047	716	779	363	730	565	344	556	474	536	559
Fringe benefits tax	40	28	56	45	123		—36—	322	48	12	40	47
Total labour costs	41,705	27,003	30,555	27,298	24,620	29,970	26,450	23,484	24,672	25,112	24,049	25,991
Payments for time worked	30,056	18,654	21,642	20,217	18,321	21,508	18,368	16,716	18,540	19,048	18,238	19,201
On-costs	11,649	8,348	8,914	7,081	6,299	8,461	8,082	6,768	6,132	6,064	5,812	6,790
Superannuation—												
Cost per employee covered	3,240	3,631	2,470	2,565	2,675	3,661	3,777	2,493	2,373	2,578	3,534	2,785
Employees covered	92.9	54.3	79.6	62.9	62.2	—per cent— 65.6	91.7	74.3	74.2	50.7	41.5	63.4

TABLE 14. TOTAL LABOUR COSTS, PUBLIC SECTOR : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport and storage	Communication	Finance, property and business services	Public administration and defence	Community services	Recreation, personal and other services	Total
AVERAGE COSTS PER HOUR PAID (dollars)												
Earnings	16.58	10.97	13.56	12.22	11.10	12.31	11.45	10.59	11.93	13.84	12.96	12.75
Gross wages and salaries	16.36	10.52	13.10	12.08	10.81	12.05	11.22	10.43	11.70	13.63	12.37	12.50
Payments for time worked	14.45	8.85	11.12	10.39	9.48	10.35	9.40	8.85	10.04	11.64	10.96	10.67
Annual leave	1.08	0.80	1.01	0.89	0.71	0.89	0.82	0.81	0.82	1.19	0.77	0.99
Other leave and bonuses	0.83	0.87	0.97	0.79	0.63	0.80	1.01	0.77	0.84	0.79	0.65	0.83
Severance, termination and redundancy payments	0.22	0.45	0.46	0.15	0.29	0.26	0.22	0.16	0.23	0.21	0.59	0.25
Other labour costs	3.46	1.84	2.13	1.81	1.64	2.11	2.09	1.84	1.43	1.51	1.49	1.70
Payroll tax	0.96	0.40	0.73	0.56	0.52		—0.33—	0.51	0.15	0.41	0.26	0.38
Superannuation	1.45	0.94	1.01	0.83	0.86	1.16	1.77	0.98	0.95	0.80	0.88	0.98
Workers' compensation	1.04	0.50	0.37	0.40	0.19	0.35	0.29	0.18	0.30	0.29	0.32	0.31
Fringe benefits tax	0.02	0.01	0.03	0.02	0.06		—0.02—	0.17	0.03	0.01	0.02	0.03
Total labour costs	20.05	12.81	15.69	14.04	12.74	14.43	13.54	12.43	13.35	15.35	14.45	14.45
Payments for time worked	14.45	8.85	11.12	10.39	9.48	10.35	9.40	8.85	10.04	11.64	10.96	10.67
On-costs	5.60	3.96	4.58	3.64	3.26	4.07	4.14	3.58	3.32	3.71	3.49	3.77
AVERAGE COSTS PER HOUR WORKED (dollars)												
Earnings	19.27	13.26	16.01	14.36	12.60	14.64	13.89	12.41	14.02	16.31	14.72	15.06
Gross wages and salaries	19.01	12.72	15.46	14.19	12.28	14.33	13.62	12.22	13.75	16.06	14.05	14.77
Payments for time worked	16.79	10.70	13.12	12.21	10.76	12.31	11.41	10.37	11.79	13.72	12.45	12.61
Annual leave	1.26	0.97	1.20	1.04	0.80	1.06	0.99	0.95	0.97	1.40	0.87	1.17
Other leave and bonuses	0.97	1.05	1.14	0.93	0.72	0.96	1.22	0.91	0.99	0.93	0.74	0.98
Severance, termination and redundancy payments	0.26	0.54	0.54	0.17	0.33	0.31	0.27	0.19	0.27	0.25	0.67	0.29
Other labour costs	4.03	2.23	2.52	2.13	1.86	2.51	2.54	2.16	1.68	1.78	1.69	2.01
Payroll tax	1.11	0.48	0.86	0.66	0.59		—0.39—	0.59	0.17	0.49	0.30	0.45
Superannuation	1.68	1.13	1.19	0.97	0.98	1.38	2.15	1.15	1.12	0.94	1.00	1.16
Workers' compensation	1.21	0.60	0.43	0.47	0.21	0.42	0.35	0.21	0.35	0.34	0.37	0.37
Fringe benefits tax	0.02	0.02	0.03	0.03	0.07		—0.02—	0.20	0.03	0.01	0.03	0.03
Total labour costs	23.30	15.49	18.53	16.49	14.46	17.15	16.43	14.56	15.69	18.09	16.41	17.07
Payments for time worked	16.79	10.70	13.12	12.21	10.76	12.31	11.41	10.37	11.79	13.72	12.45	12.61
On-costs	6.51	4.79	5.40	4.28	3.70	4.84	5.02	4.20	3.90	4.37	3.97	4.46

TABLE 14. TOTAL LABOUR COSTS, PUBLIC SECTOR : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport and storage	Communication	Finance, property and business services	Public administration and defence	Community services	Recreation, personal and other services	Total
COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS (per cent)												
Earnings	82.7	85.6	86.4	87.1	87.2	85.4	84.5	85.2	89.3	90.2	89.7	88.2
Gross wages and salaries	81.6	82.1	83.5	86.0	84.9	83.5	82.9	83.9	87.6	88.8	85.6	86.5
Payments for time worked	72.1	69.1	70.8	74.1	74.4	71.8	69.4	71.2	75.2	75.9	75.8	73.9
Annual leave	5.4	6.3	6.5	6.3	5.5	6.2	6.0	6.5	6.2	7.8	5.3	6.9
Other leave and bonuses	4.1	6.8	6.2	5.7	5.0	5.6	7.4	6.2	6.3	5.2	4.5	5.8
Severance, termination and redundancy payments	1.1	3.5	2.9	1.1	2.3	1.8	1.6	1.3	1.7	1.4	4.1	1.7
Other labour costs	17.3	14.4	13.6	12.9	12.8	14.6	15.5	14.8	10.7	9.8	10.3	11.8
Payroll tax	4.8	3.1	4.6	4.0	4.1		—2.3—	4.1	1.1	2.7	1.8	2.6
Superannuation	7.2	7.3	6.4	5.9	6.8	8.0	13.1	7.9	7.1	5.2	6.1	6.8
Workers' compensation	5.2	3.9	2.3	2.9	1.5	2.4	2.1	1.5	2.3	1.9	2.2	2.2
Fringe benefits tax	0.1	0.1	0.2	0.2	0.5		—0.1—	1.4	0.2	0.1	0.2	0.2
Total labour costs	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Payments for time worked	72.1	69.1	70.8	74.1	74.4	71.8	69.4	71.2	75.2	75.9	75.8	73.9
On-costs	27.9	30.9	29.2	25.9	25.6	28.2	30.6	28.8	24.9	24.2	24.2	26.1
RATIO OF OTHER LABOUR COSTS TO EARNINGS (per cent)												
Payroll Tax	5.8	3.6	5.4	4.6	4.7		—2.7—	4.8	1.2	3.0	2.0	3.0
Superannuation	8.7	8.5	7.5	6.8	7.8	9.4	15.5	9.3	8.0	5.8	6.8	7.7
Workers' compensation	6.3	4.5	2.7	3.3	1.7	2.9	2.5	1.7	2.5	2.1	2.5	2.4
Fringe benefits tax	0.1	0.1	0.2	0.2	0.6		—0.2—	1.6	0.2	0.1	0.2	0.2
Other labour costs	20.9	16.8	15.7	14.8	14.7	17.2	18.3	17.4	12.0	10.9	11.5	13.3

TABLE 15. TOTAL LABOUR COSTS PRIVATE AND PUBLIC SECTORS : TYPE OF LABOUR COST AND INDUSTRY

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communication	Finance, property and business services	Public administra- tion and defence	Community services	Recreation, personal and other services	Total
TOTAL COSTS (\$ million)											
Earnings	3,084	22,046	3,344	5,520	16,779	10,278	15,497	6,964	24,529	4,217	112,260
Gross wages and salaries	2,988	21,508	3,233	5,442	16,529	10,082	15,210	6,830	24,183	4,148	110,153
Payments for time worked	2,649	19,000	2,746	4,893	14,919	8,750	13,405	5,859	20,842	3,877	96,941
Annual leave	191	1,388	250	293	858	685	915	480	2,045	152	7,258
Other leave and bonuses	148	1,159	237	255	752	647	890	491	1,295	119	5,994
Severance, termination and redundancy payments	95	539	111	78	250	196	288	134	347	69	2,106
Other labour costs	470	2,853	524	714	1,588	1,598	1,929	833	2,347	338	13,194
Payroll tax	166	1,048	180	187	583	332	702	86	614	123	4,019
Superannuation	145	763	247	230	501	929	838	556	1,239	95	5,542
Workers' compensation	125	956	90	264	399	315	175	176	472	102	3,073
Fringe benefits tax	34	87	8	*32	105	23	215	15	23	19	559
Total labour costs	3,554	24,900	3,869	6,234	18,366	11,876	17,427	7,797	26,876	4,555	125,454
Payments for time worked	2,649	19,000	2,746	4,893	14,919	8,750	13,405	5,859	20,842	3,877	96,941
On-costs	905	5,939	1,123	1,340	3,447	3,126	4,022	1,938	6,034	679	28,553
AVERAGE COSTS PER EMPLOYEE											
					—dollars—						
Earnings	35,376	21,055	26,385	22,624	15,757	23,770	21,425	22,037	20,610	12,588	20,166
Gross wages and salaries	34,281	20,541	25,509	22,304	15,522	23,317	21,028	21,613	20,319	12,381	19,788
Payments for time worked	30,388	18,146	21,663	20,056	14,011	20,236	18,532	18,540	17,513	11,572	17,414
Annual leave	2,197	1,325	1,973	1,202	806	1,584	1,265	1,520	1,718	452	1,304
Other leave and bonuses	1,697	1,107	1,872	1,046	706	1,497	1,230	1,554	1,088	357	1,077
Severance, termination and redundancy payments	1,095	515	876	319	234	453	398	424	291	207	378
Other labour costs	5,395	2,725	4,138	2,926	1,491	3,695	2,667	2,635	1,972	1,009	2,370
Payroll tax	1,905	1,001	1,418	767	548	767	971	271	516	366	722
Superannuation	1,667	728	1,948	944	471	2,148	1,158	1,760	1,041	282	996
Workers' compensation	1,437	913	712	1,083	374	728	242	556	397	304	552
Fringe benefits tax	385	83	60	*132	98	53	297	48	19	56	100
Total labour costs	40,771	23,780	30,523	25,550	17,248	27,465	24,092	24,672	22,583	13,598	22,536
Payments for time worked	30,388	18,146	21,663	20,056	14,011	20,236	18,532	18,540	17,513	11,572	17,414
On-costs	10,383	5,672	8,859	5,494	3,237	7,229	5,561	6,132	5,070	2,026	5,129
Superannuation— Cost per employee covered	2,266	1,617	2,438	2,086	1,972	3,412	2,826	2,373	2,657	2,156	2,394
Employees covered	73.6	45.1	79.9	45.3	—per cent— 23.9	62.9	41.0	74.2	39.2	13.1	41.6

TABLE 15. TOTAL LABOUR COSTS PRIVATE AND PUBLIC SECTORS : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communication	Finance, property and business services	Public administration and defence	Community services	Recreation, personal and other services	Total
AVERAGE COSTS PER HOUR PAID (\$ dollars)											
<i>Earnings</i>	17.06	11.10	13.41	11.80	9.91	11.77	11.87	11.93	13.07	9.64	11.63
Gross wages and salaries	16.53	10.83	12.96	11.63	9.76	11.54	11.65	11.70	12.89	9.48	11.41
Payments for time worked	14.65	9.57	11.01	10.46	8.81	10.02	10.27	10.04	11.11	8.86	10.04
Annual leave	1.06	0.70	1.00	0.63	0.51	0.78	0.70	0.82	1.09	0.35	0.75
Other leave and bonuses	0.82	0.58	0.95	0.55	0.44	0.74	0.68	0.84	0.69	0.27	0.62
Severance, termination and redundancy payments	0.53	0.27	0.45	0.17	0.15	0.22	0.22	0.23	0.18	0.16	0.22
<i>Other labour costs</i>	2.60	1.44	2.10	1.53	0.94	1.83	1.48	1.43	1.25	0.77	1.37
Payroll tax	0.92	0.53	0.72	0.40	0.34	0.38	0.54	0.15	0.33	0.28	0.42
Superannuation	0.80	0.38	0.99	0.49	0.30	1.06	0.64	0.95	0.66	0.22	0.57
Workers' compensation	0.69	0.48	0.36	0.56	0.24	0.36	0.13	0.30	0.25	0.23	0.32
Fringe benefits tax	0.19	0.04	0.03	*0.07	0.06	0.03	0.16	0.03	0.01	0.04	0.06
<b>Total labour costs</b>	<b>19.66</b>	<b>12.54</b>	<b>15.51</b>	<b>13.32</b>	<b>10.84</b>	<b>13.60</b>	<b>13.35</b>	<b>13.35</b>	<b>14.32</b>	<b>10.41</b>	<b>12.99</b>
Payments for time worked	14.65	9.57	11.01	10.46	8.81	10.02	10.27	10.04	11.11	8.86	10.04
On-costs	5.01	2.99	4.50	2.86	2.04	3.58	3.08	3.32	3.22	1.55	2.96
AVERAGE COSTS PER HOUR WORKED (\$ dollars)											
<i>Earnings</i>	19.50	12.70	15.80	13.24	10.91	13.72	13.24	14.02	15.20	10.29	13.21
Gross wages and salaries	18.89	12.39	15.27	13.05	10.75	13.46	12.99	13.75	14.98	10.12	12.96
Payments for time worked	16.75	10.95	12.97	11.74	9.70	11.68	11.45	11.79	12.91	9.46	11.40
Annual leave	1.21	0.80	1.18	0.70	0.56	0.91	0.78	0.97	1.27	0.37	0.85
Other leave and bonuses	0.94	0.67	1.12	0.61	0.49	0.86	0.76	0.99	0.80	0.29	0.71
Severance, termination and redundancy payments	0.60	0.31	0.52	0.19	0.16	0.26	0.25	0.27	0.21	0.17	0.25
<i>Other labour costs</i>	2.97	1.64	2.48	1.71	1.03	2.13	1.65	1.68	1.45	0.83	1.55
Payroll tax	1.05	0.60	0.85	0.45	0.38	0.44	0.60	0.17	0.38	0.30	0.47
Superannuation	0.92	0.44	1.17	0.55	0.33	1.24	0.72	1.12	0.77	0.23	0.65
Workers' compensation	0.79	0.55	0.43	0.63	0.26	0.42	0.15	0.35	0.29	0.25	0.36
Fringe benefits tax	0.21	0.05	0.04	*0.08	0.07	0.03	0.18	0.03	0.01	0.05	0.07
<b>Total labour costs</b>	<b>22.47</b>	<b>14.34</b>	<b>18.28</b>	<b>14.95</b>	<b>11.94</b>	<b>15.85</b>	<b>14.89</b>	<b>15.69</b>	<b>16.65</b>	<b>11.12</b>	<b>14.76</b>
Payments for time worked	16.75	10.95	12.97	11.74	9.70	11.68	11.45	11.79	12.91	9.46	11.40
On-costs	5.72	3.42	5.30	3.22	2.24	4.17	3.44	3.90	3.74	1.66	3.36

TABLE 15. TOTAL LABOUR COSTS PRIVATE AND PUBLIC SECTORS : TYPE OF LABOUR COST AND INDUSTRY—continued

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communica- tion	Finance, property and business services	Public administra- tion and defence	Community services	Recreation, personal and other services	Total
COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS (per cent)											
Earnings	86.8	88.5	86.4	88.6	91.4	86.6	88.9	89.3	91.3	92.6	89.5
Gross wages and salaries	84.1	86.4	83.6	87.3	90.0	84.9	87.3	87.6	90.0	91.1	87.8
Payments for time worked	74.5	76.3	71.0	78.5	81.2	73.7	76.9	75.2	77.6	85.1	77.3
Annual leave	5.4	5.6	6.5	4.7	4.7	5.8	5.3	6.2	7.6	3.3	5.8
Other leave and bonuses	4.2	4.7	6.1	4.1	4.1	5.5	5.1	6.3	4.8	2.6	4.8
Severance, termination and redundancy payments	2.7	2.2	2.9	1.3	1.4	1.7	1.7	1.7	1.3	1.5	1.7
Other labour costs	13.2	11.5	13.6	11.5	8.6	13.5	11.1	10.7	8.7	7.4	10.5
Payroll tax	4.7	4.2	4.7	3.0	3.2	2.8	4.0	1.1	2.3	2.7	3.2
Superannuation	4.1	3.1	6.4	3.7	2.7	7.8	4.8	7.1	4.6	2.1	4.4
Workers' compensation	3.5	3.8	2.3	4.2	2.2	2.7	1.0	2.3	1.8	2.2	2.5
Fringe benefits tax	0.9	0.4	0.2	*0.5	0.6	0.2	1.2	0.2	0.1	0.4	0.5
Total labour costs	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Payments for time worked	74.5	76.3	71.0	78.5	81.2	73.7	76.9	75.2	77.6	85.1	77.3
On-costs	25.5	23.9	29.0	21.5	18.8	26.3	23.1	24.9	22.5	14.9	22.8
RATIO OF OTHER LABOUR COSTS TO EARNINGS (per cent)											
Payroll Tax	5.4	4.8	5.4	3.4	3.5	3.2	4.5	1.2	2.5	2.9	3.6
Superannuation	4.7	3.5	7.4	4.2	3.0	9.0	5.4	8.0	5.1	2.2	4.9
Workers' compensation	4.1	4.3	2.7	4.8	2.4	3.1	1.1	2.5	1.9	2.4	2.7
Fringe benefits tax	1.1	0.4	0.2	*0.6	0.6	0.2	1.4	0.2	0.1	0.5	0.5
Other labour costs	15.3	12.9	15.7	12.9	9.5	15.6	12.5	12.0	9.6	8.0	11.8

TABLE 16. TOTAL LABOUR COSTS, PUBLIC SECTOR : TYPE OF LABOUR COST, INSTITUTIONAL SECTOR AND LEVEL OF GOVERNMENT

Type of labour cost	Institutional Sector		Level of Government			Total
	Trading	Non-trading	Commonwealth	State	Local	
TOTAL COSTS (\$ million)						
Earnings	10,385	29,181	10,260	26,263	3,043	39,566
Gross wages and salaries	10,145	28,648	10,059	25,802	2,933	38,794
Payments for time worked	8,643	24,484	8,482	22,101	2,544	33,127
Annual leave	751	2,331	769	2,112	201	3,082
Other leave and bonuses	751	1,833	808	1,589	188	2,585
Severance, termination and redundancy payments	240	532	201	461	110	772
Other labour costs	1,821	3,454	1,588	3,365	322	5,275
Payroll tax	394	791	105	1,048	33	1,186
Superannuation	1,120	1,925	1,220	1,640	185	3,045
Workers' compensation	257	707	226	639	99	964
Fringe benefits tax	50	31	36	38	6	81
Total labour costs	12,207	32,635	11,848	29,628	3,366	44,841
Payments for time worked	8,643	24,484	8,482	22,101	2,544	33,127
On-costs	3,564	8,150	3,366	7,527	821	11,714
AVERAGE COSTS PER EMPLOYEE						
			—dollars—			
Earnings	23,959	22,589	23,605	23,074	19,969	22,933
Gross wages and salaries	23,405	22,177	23,143	22,669	19,246	22,486
Payments for time worked	19,940	18,954	19,515	19,418	16,694	19,201
Annual leave	1,733	1,804	1,769	1,855	1,319	1,786
Other leave and bonuses	1,733	1,419	1,860	1,396	1,233	1,498
Severance, termination and redundancy payments	554	412	462	405	724	448
Other labour costs	4,202	2,674	3,653	2,956	2,114	3,058
Payroll tax	910	613	242	921	214	687
Superannuation	2,584	1,490	2,808	1,441	1,211	1,765
Workers' compensation	592	547	520	561	647	559
Fringe benefits tax	116	24	83	34	42	47
Total labour costs	28,161	25,263	27,259	26,030	22,083	25,991
Payments for time worked	19,940	18,954	19,515	19,418	16,694	19,201
On-costs	8,221	6,309	7,744	6,613	5,389	6,790
Superannuation—						
Cost per employee covered	3,222	2,581	3,360	2,605	1,835	2,785
Employees covered	80.2	57.7	—per cent— 83.6	55.3	66.0	63.4
AVERAGE COSTS PER HOUR PAID (dollars)						
Earnings	12.10	13.00	12.07	13.26	11.14	12.75
Gross wages and salaries	11.82	12.76	11.83	13.03	10.74	12.50
Payments for time worked	10.07	10.90	9.98	11.16	9.31	10.67
Annual leave	0.88	1.04	0.90	1.07	0.74	0.99
Other leave and bonuses	0.88	0.82	0.95	0.80	0.69	0.83
Severance, termination and redundancy payments	0.28	0.24	0.24	0.23	0.40	0.25
Other labour costs	2.12	1.54	1.87	1.70	1.18	1.70
Payroll tax	0.46	0.35	0.12	0.53	0.12	0.38
Superannuation	1.31	0.86	1.44	0.83	0.68	0.98
Workers' compensation	0.30	0.31	0.27	0.32	0.36	0.31
Fringe benefits tax	0.06	0.01	0.04	0.02	0.02	0.03
Total labour costs	14.22	14.54	13.94	14.96	12.32	14.45
Payments for time worked	10.07	10.90	9.98	11.16	9.31	10.67
On-costs	4.15	3.63	3.96	3.80	3.01	3.77

TABLE 16. TOTAL LABOUR COSTS, PUBLIC SECTOR : TYPE OF LABOUR COST, INSTITUTIONAL SECTOR AND LEVEL OF GOVERNMENT—continued

Type of labour cost	Institutional Sector		Level of Government			Total
	Trading	Non-trading	Commonwealth	State	Local	
AVERAGE COSTS PER HOUR WORKED (dollars)						
Earnings	14.34	15.34	14.49	15.59	13.02	15.06
Gross wages and salaries	14.01	15.06	14.20	15.32	12.55	14.77
Payments for time worked	11.93	12.87	11.97	13.12	10.88	12.61
Annual leave	1.04	1.23	1.09	1.25	0.86	1.17
Other leave and bonuses	1.04	0.96	1.14	0.94	0.80	0.98
Severance, termination and redundancy payments	0.33	0.28	0.28	0.27	0.47	0.29
Other labour costs	2.52	1.82	2.24	2.00	1.38	2.01
Payroll tax	0.54	0.42	0.15	0.62	0.14	0.45
Superannuation	1.55	1.01	1.72	0.97	0.79	1.16
Workers' compensation	0.35	0.37	0.32	0.38	0.42	0.37
Fringe benefits tax	0.07	0.02	0.05	0.02	0.03	0.03
Total labour costs	16.86	17.15	16.73	17.59	14.40	17.07
Payments for time worked	11.93	12.87	11.97	13.12	10.88	12.61
On-costs	4.92	4.28	4.75	4.47	3.51	4.46
COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS (per cent)						
Earnings	85.1	89.4	86.6	88.6	90.4	88.2
Gross wages and salaries	83.1	87.8	84.9	87.1	87.2	86.5
Payments for time worked	70.8	75.0	71.6	74.6	75.6	73.9
Annual leave	6.2	7.1	6.5	7.1	6.0	6.9
Other leave and bonuses	6.2	5.6	6.8	5.4	5.6	5.8
Severance, termination and redundancy payments	2.0	1.6	1.7	1.6	3.3	1.7
Other labour costs	14.9	10.6	13.4	11.4	9.6	11.8
Payroll tax	3.2	2.4	0.9	3.5	1.0	2.6
Superannuation	9.2	5.9	10.3	5.5	5.5	6.8
Workers' compensation	2.1	2.2	1.9	2.2	2.9	2.2
Fringe benefits tax	0.4	0.1	0.3	0.1	0.2	0.2
Total labour costs	100.0	100.0	100.0	100.0	100.0	100.0
Payments for time worked	70.8	75.0	71.6	74.6	75.6	73.9
On-costs	29.2	25.0	28.4	25.4	24.4	26.1
RATIO OF OTHER LABOUR COSTS TO EARNINGS (per cent)						
Payroll Tax	3.8	2.7	1.0	4.0	1.1	3.0
Superannuation	10.8	6.6	11.9	6.2	6.1	7.7
Workers' compensation	2.5	2.4	2.2	2.4	3.2	2.4
Fringe benefits tax	0.5	0.1	0.4	0.2	0.2	0.2
Other labour costs	17.5	11.8	15.5	12.8	10.6	13.3

## APPENDIX A

## GLOSSARY

*Annual leave:* refers to the total payments made during the reference year for annual leave and leave loading taken. Unused leave and leave loading paid on termination of employment are not included in the estimate but are included in the value of severance, termination and redundancy payments.

*Earnings:* comprise amounts paid to employees as severance, termination and redundancy payments and gross wages and salaries during the reference year. The estimate of earnings excludes amounts paid to employees for workers' compensation.

*Employees:* is the average of the number of wage and salary earners who received pay for a specified pay period in August 1986, November 1986, February 1987 and May 1987.

Included are all:

- permanent, temporary, casual and part-time employees;
- managerial and executive employees;
- employees on paid or pre-paid leave, or workers' compensation;
- employees paid from interstate or overseas; and
- employees who terminated employment during the selected pay periods.

Excluded are all:

- proprietors/partners of unincorporated businesses;
- directors who are not paid a salary;
- self-employed persons (e.g. subcontractors);
- persons paid solely by commission without a retainer;
- employees on leave without pay, on strike or stood down who did not receive pay during the selected pay periods; and
- employees based outside Australia.

*Employer size:* is allocated based on the average number of employees reported. The size classification reflects the size of the enterprise in a particular State/Territory and not necessarily the size of the enterprise Australia wide.

*Fringe benefits tax:* was introduced for fringe benefits provided from 1 July 1986. The estimate provided relates to the tax actually paid in the 1986-87 year in respect of employees as defined. As the tax is not payable until one

month after the end of the quarter in which the fringe benefits were provided, tax was only paid on 3 quarters during the 1986-87 year, - i.e. the September, December and March quarters. Amounts paid in fines for late payment etc are not included in the estimate of fringe benefits tax.

*Gross wages and salaries:* are payments made to employees during the reference year (before taxation and other deductions). They comprise:

- ordinary time and overtime earnings;
- overaward payments;
- penalty payments, shift and other remunerative allowances;
- commissions and retainers;
- bonuses and similar payments;
- payments under incentive, piecework or profit sharing schemes;
- leave loadings and leave payments;
- advance and retrospective payments;
- standby or reporting time; and
- salaries and fees paid to company directors and members of boards who receive a salary.

Excluded are severance, termination and redundancy payments, allowances which are reimbursements for expenditure incurred in conducting the business of an employer and drawings from profits by directors or office holders.

Amounts paid to employees for workers' compensation as part of their gross wages and salaries have been removed from the gross wages and salaries estimate provided. Workers' compensation costs not reimbursed by an insurer are accounted for in the workers' compensation estimate.

*Hours paid:* refers to the total number of hours for which employees are paid. This comprises award, standard or agreed hours, hours of paid leave (ie annual, sick, long service and other 'special' types of leave), public holidays, hours spent on workers' compensation and hours of overtime.

*Hours worked:* refers to the number of paid hours for which the employer receives some productive return (ie the hours actually worked by employees). This estimate is calculated by subtracting all hours of leave, public

holidays and hours on workers' compensation from the total hours paid value. As with 'payments for time worked', the estimate includes 'wash-up time', tea breaks and other paid breaks which are considered too difficult to measure given the collection methodology used for this survey.

*Industry:* is used to classify each employer according to the Australian Standard Industrial Classification (ASIC) 1983 Edition, (1201.0).

*Institutional sector:* is used to classify each employer according to *Standard Institutional Sector Classification of Australia* (SISCA), 1987 edition (1218.0). Public Trading Enterprises are those whose main aim is to maximise profits whilst engaged in the production of goods and services, with most operating costs being derived from trading activities.

Public Non-trading Enterprises are mainly engaged in the production of goods and services outside the normal market mechanisms and providing these goods and services to the general public. The costs of operations are often financed from public revenues.

*Labour costs:* are all costs incurred by employers in the employment of labour. The full range of labour costs comprises:

- (a) Earnings of employees, ie:  
gross wages and salaries; and  
severance, termination and redundancy  
payments
- (b) Payroll tax
- (c) Superannuation
- (d) Workers' compensation
- (e) Fringe benefits tax
- (f) Fringe benefits
- (g) Welfare services
- (h) Training
- (i) Recruitment.

The 1986-87 Survey of Labour Costs covered only components (a) to (e) which are generally considered to account for over 90 per cent of all labour costs.

*On-Costs:* refers to all costs incurred in relation to the employment of labour for which the employer receives no return. This cost, as measured by the survey, comprises annual leave, other leave and bonuses, severance, termination and redundancy payments, superannuation payments made by the employer, payments for workers' compensation, fringe benefits tax, and payroll tax paid.

*Other leave and bonuses:* comprises payments made for sick, long service, other 'special' types of leave (eg maternity, bereavement) and public holidays taken during the year. Also included are bonuses paid to employees as part of gross wages and salaries which did not directly relate to an employee's productivity. Accrued sick leave and long service leave paid on termination of employment are not included in this estimate but are included in the estimate of severance, termination and redundancy payments.

*Payments for time worked:* refers to that component of earnings for which the employer receives some return from employees. The value of this item is not collected directly from employers, rather an estimate is derived by subtracting the value of annual leave, other leave and bonuses and severance, termination and redundancy payments paid from the value of earnings. 'Wash-up' time, tea breaks and other paid breaks constitute payments for time not worked and should also be subtracted from earnings. However these items are considered too difficult to measure using the collection methodology employed for the survey. As a result payments for time worked include such paid breaks.

*Payroll tax:* refers to amounts paid during the reference year in respect of the gross wages and salaries of employees, as defined, net of any rebates. Payroll tax assessed for payments to contractors and other persons not considered employees, according to the definition provided, are thus excluded.

*Reference year:* for the labour costs survey is the year ended 30 June 1987. Information collected relates to labour costs paid during the year by those employers selected from the ABS register of business at May 1987. For employers who commenced or ceased operation during the year, labour costs relate to the amounts paid during the period the employer operated. The data collected relates to payments actually made by the employer during the reference year with respect to employees as defined.

*Sector:* is used to classify organisations as public or private enterprises. Public sector includes local government authorities, government departments, agencies and authorities created by, or reporting to the Commonwealth and State Parliaments. All remaining employees are classified as private sector.

*Severance, termination and redundancy payments:* refer to lump sum payments made to employees for unused leave and eligible termination payments. Severance, termination and redundancy payments are included as a component of earnings.

*Superannuation:* costs refer to the total payments made by employers with respect to superannuation liabilities incurred.

In the private sector payments take the form of actuarially determined contributions paid into a superannuation fund on a regular basis.

In the public sector the employer component of superannuation liability can be met in a number of ways. The cost to the employer can be met by:

- (a) Actuarially determined contributions being paid into a superannuation fund on regular basis.
- (b) Meeting the cost of pension/lump sum benefits as they are actually paid out without making any contribution during the employees' service.
- (c) Setting aside monies to partly meet the future cost of superannuation liability and meeting the remaining part of superannuation liability as the cost emerges.

As a result the value of superannuation costs shown for private sector employers directly relates to current employees. However, the value of superannuation shown for public sector employers relates in some cases to current employees and in other cases to ex-employees now receiving a pension or lump sum. In the latter case payments for superannuation will reflect the past structure and size of an organisation rather than current structure and size. For this reason public and private sector superannuation costs are not directly comparable.

Three of the measures related to superannuation costs provided in this publication are:

- (i) Superannuation costs per employee — refers to superannuation costs divided by the annual average of all employees who received pay for specified pay periods during August 1986, November 1986, February 1987 and May 1987. This is an average for all employees, including those not covered by superannuation.
- (ii) Superannuation costs per employee covered — refers to superannuation costs divided by the average of all current employees covered by superannuation schemes for specified pay periods during August 1986, November 1986, February 1987 and May 1987.
- (iii) The percentage of current employees covered — estimated by expressing the annual average of all employees covered by superannuation for the specified pay periods as a percentage of the average number of total employees for the same pay periods.

*Total labour costs:* refers to the sum of gross wages and salaries; severance, termination and redundancy payments;

payroll tax; superannuation costs; workers' compensation costs and fringe benefits tax.

*Workers' compensation:* costs are determined in two ways:

- (a) The majority of employees are covered for workers' compensation through the payment of premiums by the employer to an insurer. In these cases, workers' compensation costs are considered to comprise:

- the premiums paid during the reference year;
- any workers' compensation costs not reimbursed by the insurer including 'make-up' and 'excess' pay (which cover payments made by employers directly to employees as part of gross wages and salaries, over and above the amount paid as compensation by the workers' compensation insurer); and
- any premiums paid during the reference year to insure employers for claims made by employees for workers' compensation at Common Law.

- (b) Certain employers may become 'self-insurers'. Workers' compensation costs for these employers are considered to be;

- payments made as part of employee's gross wages and salaries;
- lump sum payments;
- any other workers' compensation costs including legal, accounting, medical and administrative costs and 'catastrophe' insurance premiums;
- premiums paid during the year, to offset liability at common law for workers' compensation;
- lump sum payments made to employees (that are not reimbursed by an insurer) resulting from workers' compensation claims made at Common Law; and
- any other costs at Common Law for workers' compensation including legal, accounting, medical and administrative costs.

Costs which have been reimbursed from a workers' compensation insurer are not included in the estimates.

## APPENDIX B

## EXPLANATORY NOTES

## Introduction

This publication contains final results of the first comprehensive Survey of Labour Costs conducted in Australia. The Survey is an expanded version of the initial Survey of Major Labour Costs conducted for the reference year 1985-86. This publication differs from the 1985-86 issue by providing information on:

- the labour costs of government sector employers;
- the cost to employers of fringe benefits tax;
- the dissection of gross wages and salaries into payments for time worked, annual leave and other leave and bonuses ; and
- a full measure of 'on-costs'.

2. Labour costs are defined as all costs incurred by employers in the employment of labour. The full range of labour costs comprises:

- (a) Earnings of employees, ie:  
gross wages and salaries; and  
severance, termination and redundancy  
payments
- (b) Payroll tax
- (c) Superannuation
- (d) Workers' compensation
- (e) Fringe benefits tax
- (f) Fringe benefits
- (g) Welfare services
- (h) Training
- (i) Recruitment.

3. The 1986-87 Survey of Labour Costs covered only components (a) to (e) which are generally considered to account for over 90 per cent of all labour costs.

#### Comparison with Major Labour Costs, Private Sector, Australia (6348.0), 1986-87

4. An earlier publication from the 1986-87 survey, Major Labour Costs, Private Sector, Australia (6348.0) provided information on major labour costs incurred by private sector employers in the employment of labour.

Information provided in this publication, in relation to the private sector, differs to estimates contained in publication 6348.0, 1986-87 in the following respects:

- Costs to employers of severance, termination and redundancy payments were not included in publication 6348.0.
- Estimates of gross wages and salaries in publication 6348.0 included the value of workers' compensation payments made directly to employees as part of their gross wages and salaries. In this publication workers' compensation payments made directly to employees have been removed from gross wages and salaries. Workers' compensation costs not reimbursed by an insurer have been accounted for in the value of workers' compensation costs. See Appendix A.
- Estimates of workers' compensation costs in publication 6348.0 did not include that component of workers' compensation, not reimbursed by an insurer, paid as part of gross wages and salaries. This publication provides a fuller measure of workers' compensation costs. See Appendix A.
- Further verification of data has been carried out subsequent to publication 6348.0 being released and some estimates may differ slightly between the two publications.

#### Survey design

5. **Sample.** The survey was conducted as a sample of approximately 5500 employers in the private sector and 2000 in the government sector, selected from the ABS register of businesses at May 1987.

6. **Coverage.** The survey covered employers in all States and Territories and all industries except for employers primarily engaged in agriculture, forestry, fishing and hunting; private households employing staff; overseas embassies, consulates, etc; and the Australian permanent defence forces.

7. The statistical unit for the survey comprised all activities of an enterprise in a particular State or Territory. Each statistical unit was classified to an industry which reflected the predominant activity of the enterprise in the State or Territory. In a small number of cases, where an enterprise had significant employment in more than one industry, a separate statistical unit was created for each industry.

8. The statistical units were stratified by State/Territory, industry and employment size. For the government sector, level of government and trading/non-trading status were also used as stratification variables. An equal probability sample was selected from each stratum.

#### Collection methodology

9. The survey was conducted by mail in four collection stages as follows:

- (a) An 'Information Advice Form' was used to establish reporting arrangements which ensured that the survey covered all employees at various locations within the organisation.
- (b) Information was collected on the major labour costs of employers, that is superannuation, workers' compensation, payroll tax, fringe benefits tax and gross wages and salaries.
- (c) Employers provided detailed information on payments to employees for time not worked, such as leave taken, public holidays and severance, termination and redundancy payments. Two methods of collecting this data were used. Some employers provided information at a total level, for all employees of their organisation. Other employers only provided data for a random sample of individual employees as their recording practices did not favour reporting for all employees. In this latter case, the data was weighted up to reflect the organisation as a whole, prior to data being included in the estimates.
- (d) Superannuation Boards and Treasury Departments provided details directly to the ABS on superannuation and payroll tax respectively, for government organisations.

#### Labour cost measures

10. Labour cost measures presented in this publication are:

- (a) Total cost for each item in dollars.
- (b) Cost per employee for each item.
- (c) Cost for each item per hour paid.
- (d) Cost for each item per hour worked.
- (e) Cost for each item as a percentage of total labour costs.
- (f) Cost for selected items as a ratio to earnings.

#### Reliability of estimates

11. Estimates are known to be subject to two sources of error:

- (a) Sampling error: since the estimates are based on information obtained from a sample of employers and in some cases from a sample of employees, they may differ from the values that would have been produced if all employers and all employees had been included in the survey. More information on this topic is given in the Technical Note, Appendix C.
- (b) Non-sampling error: inaccuracies may occur because of imperfections in reporting by respondents and errors made in coding and processing data. These inaccuracies may occur in any enumeration,

whether it be a full count or a sample. Every effort is made to reduce the non-sampling error to a minimum by careful design of questionnaires and efficient operating procedures.

12. Estimates subject to non-sample error are known to occur with respect to the following items -

- (a) Employees covered by superannuation - Public Sector. Superannuation Boards providing data on the number of employees covered by superannuation were unable to exclude employees on leave without pay from this data. These employees are outside the scope of the survey. As a result the percentage of employees covered by superannuation as a percentage of total employees is slightly overstated for the government sector.
- (b) Superannuation costs - Public Sector. Superannuation Boards supplied data to meet the definitional requirements of the survey as closely as possible. In some cases elements of costs incurred by employers were excluded due to recording practices of these Boards and/or unclear definitional requirements made by the ABS. Schemes known to be affected are the Commonwealth Superannuation Scheme and The New South Wales State Superannuation Scheme. As a result the estimates presented slightly understate the total employer cost of superannuation for government sector organisations.
- (c) Fringe benefits tax. A small proportion of respondents had difficulty in providing information in the manner requested. In a minority of cases employees reported fringe benefits tax paid for some employees not in scope for this survey. Such employees are those paid solely by commission without a retainer, proprietors/partners of unincorporated businesses, directors not paid a salary, self employed persons and past and future employees.

#### Comparability to other data sources

13. In some cases estimates given in this publication may differ slightly from those from other sources. These differences may be the result of sample or non-sample error (see Appendix C), or may result from differences in scope, coverage, definitions or methodology used.

#### Related publications

14. Users may also wish to refer to the following publications which are available on request:

*Major Labour Costs, Private Sector, Australia (6348.0) - issued annually*

*Occasional Paper No. 1986/1: Statistics on Wages, Earnings, Income and Labour Costs - A Guide to their Concepts, Measurement and Usage — issued June 1986*

*Labour Statistics, Australia (6101.0) — issued annually*

*Occasional Paper No. 1986/1: Statistics on Wages, Earnings, Income and Labour Costs - A Guide to their Concepts, Measurement and Usage* — issued June 1986

*Labour Statistics, Australia* (6101.0) — issued annually

*A Guide to Labour Statistics* (6102.0) — issued February 1986

*The Labour Force, Australia* (6203.0) — issued monthly

*Employed Wage and Salary Earners, Australia* (6248.0) — issued quarterly

*Average Weekly Earnings, Australia, Preliminary* (6301.0) — issued quarterly

*Average Weekly Earnings, States and Australia* (6302.0) — issued quarterly

*Distribution and Composition of Employee Earnings and Hours, Australia* (6306.0) — issued annually

*Award Rates of Pay Indexes, Australia* (6312.0) — issued monthly

*Employment Benefits, Australia* (6334.0) — issued annually.

15. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The *Catalogue* and *Publications Advice* are available from any ABS office.

#### Unpublished tables

16. In some cases, the ABS can also make available information which is not published. This information may be made available in one or more of the following forms: microfiche, photocopy, data tape, computer printout, clerically-extracted tabulation. In general, a charge is made for providing unpublished information. Inquiries should be made to the officer whose name appears in the Phone Inquiries section of the Inquiries box at the front of this

publication, or to Information Services in the nearest ABS office.

17. Unpublished information which may be available from this survey includes some State by industry, State by size and industry by size cross tabulations. This information is available at the total employer level or by private sector, public sector, level of government or government trading and non trading sectors. Some information on industries at finer levels than those included in the published tables may also be available.

#### Symbols and other usages

- nil or rounded to zero
- \* the estimate has a relative standard error greater than 25% and should not be regarded as reliable. See paragraph 4 of the Technical Note, Appendix C.

18. Where estimates have been rounded, discrepancies may occur between sums of the component items and totals.

#### Electronic services

VIATEL. Key \*656# for selected current economic, social and demographic statistics.

AUSSTATS. Thousands of up-to date time series are available on this ABS on-line service through CSIRONET.

For further information phone the AUSSTATS Help Desk on (062) 52 6017.

TELESTATS. This service provides foreign trade statistics tailored to users' requirements.

Further information is available on (062) 52 5404.

#### Floppy disk service.

Selected ABS statistics are available on floppy disk. For further information phone (062) 52 6684

## APPENDIX C

## TECHNICAL NOTE

**Reliability of estimates**

Since the estimates in this publication are based on information obtained from a sample they are subject to sampling variability. The estimates may differ from the figures that would have been produced if all employers had been included in the survey and all employers had supplied data relating to all employees, ie a complete enumeration.

2 One measure of the sample variability is given by the standard error, which indicates the extent to which an estimate might have varied by chance because only a sample of employers, and in some cases employees, was included. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained had all employees been included, and about nineteen chances in twenty that the difference will be less than two standard errors.

3 Another measure of the sample variability is the relative standard error, which is obtained by expressing the standard error as a percentage of the estimate. Both the standard error and relative standard error are used to measure the reliability of estimates.

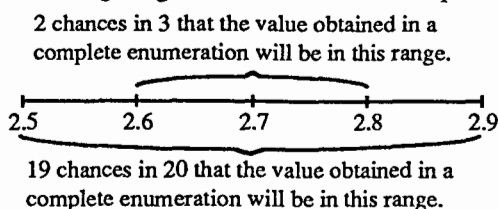
4 If the standard error of an estimate is large relative to the size of the estimate, the usefulness of that estimate is seriously impaired. For the tables in this publication, estimates with relative standard errors greater than 25 per cent have been noted with an asterisk.

5 Relative standard errors on estimates of costs as a percentage of total labour costs for States, industries and different employer sizes are given in Tables A, B and C. The standard errors shown in these tables relate to the effect of taking a sample of employers, they do not indicate the effect on accuracy of, in some cases, taking a sample of employees. Usually the extra source of variability has a smaller effect.

6 An example of standard errors and relative standard errors using these tables is as follows. Table 5 on page 9 shows that workers' compensation in New South Wales is estimated to represent 2.7 per cent of total labour costs. The relative standard error for this figure as shown in Table A is 3.9 per cent. This means that there are about 2 chances in 3 that a complete enumeration would have given a figure within 3.9 per cent of 2.7, ie. within the range 2.6 and 2.8.

There are about 19 chances in 20 that a complete enumeration would have given a figure in the range 2.5 to 2.9. The relative standard error of 3.9 per cent is multiplied by 2 and then applied to the estimated figure of 2.7.

The following diagram illustrates this example.



7 As can be seen from the tables, in most cases the smaller the estimate the higher is the relative standard error.

8 Published figures may also be used to estimate the difference between two survey estimates (of numbers or percentages). Such a figure is itself an estimate and is therefore subject to sampling error. The sampling error of the difference between two estimates depends on their standard errors and the relationship (correlation) between them. An approximate standard error (SE) of the difference between two estimates (x-y) may be calculated by the following formula:

$$SE(x-y) = \sqrt{[SE(x)]^2 + [SE(y)]^2}$$

This formula will only be exact when estimating the difference between two survey estimates which are from different States or from different industries in the private sector or from different sectors. It is expected to provide a good approximation for estimating the difference between survey estimates that are from different employer size groups or different States or industries in the public sector.

9 The imprecision due to sampling variability, which is measured by the standard error, should not be confused with inaccuracies that may occur because of imperfections in reporting by respondents and errors made in the coding and processing of data. Inaccuracies of this kind are referred to as the non-sampling error, and they may occur in any enumeration, whether it be a full count or only a sample. For more information on non-sampling error refer to paragraph 11 of the Explanatory Notes.

10 Tables A, B and C show relative standard errors for each item in terms of the measure "costs as percentage of total labour costs". These tables can also be used to gauge the relative standard errors for other measures given in the publication.

- For the measure "other labour costs as a ratio to earnings" relative standard errors are approximately the same as those given in Tables A, B and C.
- For the measures "total dollar cost", "cost per employee", "cost per hour paid" and "cost per hour worked" relative standard errors are a little higher than those given in Tables A, B and C for all items except 'earnings', 'gross wages and salaries' and 'payments for time worked' – for these items the relative standard errors are much higher than those given in Tables A, B and C. Detailed relative standard errors for all items are available on request.

TABLE A. RELATIVE STANDARD ERRORS: COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS, STATES AND TERRITORIES, 1986-87

Type of cost	NSW	Vic.	QLD	SA	WA	Tas.	NT	ACT	Aust.
<i>Earnings</i>	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Gross wages and salaries	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.1
Payments for time worked	0.3	0.3	0.3	0.7	0.3	0.4	0.4	0.3	0.2
Annual leave	1.1	1.9	1.6	3.8	2.6	2.0	3.1	1.3	0.8
Other leave and bonuses	1.5	1.8	1.4	3.7	2.3	1.8	2.0	1.7	0.9
Severance, termination and redundancy payments	3.3	4.5	4.9	6.6	5.9	8.3	6.4	4.1	2.1
<i>Other labour costs</i>	1.7	1.1	1.6	2.0	2.4	2.6	1.4	1.9	0.8
Payroll tax	2.0	1.9	1.7	3.0	3.4	3.0	2.3	8.2	1.2
Superannuation	3.4	2.5	2.8	4.8	4.6	4.3	4.3	2.1	1.5
Workers' compensation	3.9	1.7	2.8	3.6	3.2	2.9	4.8	5.3	1.7
Fringe benefits tax	12.6	5.8	4.1	7.5	10.1	9.1	4.7	4.8	6.0
On-Costs	0.9	0.9	0.9	2.4	1.2	1.5	1.4	1.0	0.5

TABLE B. RELATIVE STANDARD ERRORS: COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS, INDUSTRY, AUSTRALIA, 1986-87

Type of labour cost	Mining	Manufacturing	Electricity, gas and water	Construction	Wholesale and retail trade	Transport, Storage and Communication
<i>Earnings</i>	0.1	0.1	—	0.4	0.2	0.1
Gross wages and salaries	0.3	0.2	—	0.5	0.3	0.2
Payments for time worked	0.4	0.3	0.1	0.6	0.3	0.2
Annual leave	1.5	1.8	0.3	3.8	2.1	1.0
Other leave and bonuses	1.8	1.5	0.3	2.9	2.3	1.4
Severance, termination and redundancy payments	8.4	4.2	0.5	10.8	6.9	3.8
<i>Other labour costs</i>	0.9	1.0	0.2	3.1	2.4	0.8
Payroll tax	0.6	1.0	0.1	4.6	3.2	1.6
Superannuation	5.4	3.3	0.5	7.1	6.0	1.6
Workers' compensation	2.4	1.5	0.3	5.3	2.6	2.7
Fringe benefits tax	10.5	4.2	2.0	25.4	6.8	5.7
On-Costs	1.0	0.8	0.2	2.0	1.4	0.7

Type of cost	Finance, property and business services	Public administration and defence	Community services	Recreation, personal and other services	Total all industries
<i>Earnings</i>	0.5	0.1	0.2	0.5	0.1
Gross wages and salaries	0.5	0.1	0.2	0.6	0.1
Payments for time worked	0.7	0.1	0.2	0.8	0.2
Annual leave	3.2	0.5	1.3	7.6	0.8
Other leave and bonuses	4.4	0.8	1.2	7.3	0.9
Severance, termination and redundancy payments	9.9	2.7	3.0	8.0	2.1
<i>Other labour costs</i>	4.0	1.0	1.6	6.2	0.8
Payroll tax	3.5	3.3	2.1	6.7	1.2
Superannuation	7.2	1.5	2.9	16.4	1.5
Workers' compensation	12.0	1.7	1.2	7.0	1.7
Fringe benefits tax	13.4	2.8	7.8	18.4	6.0
On-Costs	2.4	0.4	0.8	4.5	0.5

TABLE C. RELATIVE STANDARD ERRORS: COSTS AS A PERCENTAGE OF TOTAL LABOUR COSTS,  
EMPLOYER UNIT SIZE — AUSTRALIA, 1986-87

Type of labour cost	Less than 10 employees	10-19 employees	20-99 employees	100 or more employees	Total all sizes
<i>Earnings</i>	0.4	0.5	0.2	0.1	0.1
Gross wages and salaries	0.4	0.5	0.3	0.1	0.1
Payments for time worked	0.5	0.7	0.5	0.1	0.2
Annual leave	3.2	4.4	3.8	0.5	0.8
Other leave and bonuses	3.7	4.3	4.2	0.8	0.9
Severance, termination and redundancy payments	11.5	16.8	8.5	1.8	2.1
<i>Other labour costs</i>	5.5	6.0	1.9	0.8	0.8
Payroll tax	18.0	10.6	2.5	0.9	1.2
Superannuation	9.3	12.0	5.5	1.3	1.5
Workers' compensation	4.4	7.2	4.2	2.1	1.7
Fringe benefits tax	13.5	15.9	10.1	8.5	6.0
On-Costs	2.8	2.9	2.0	0.4	0.5

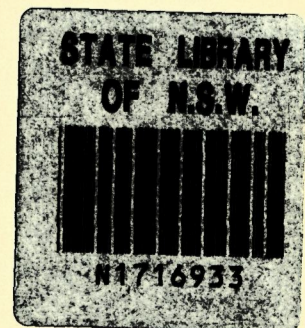
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